



INVERELL
SHIRE COUNCIL



Mayor Paul Harmon and Barnaby Joyce MP undertaking inspection of projects funded by the Drought Communities Programme at Delungra, including a new kitchen at the CWA rooms.

Business Paper
Ordinary Meeting of Council
Wednesday, 26 August 2020

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

21 August, 2020

An Ordinary Meeting of Council will be held in the Council Chambers, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 26 August, 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

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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.



INVERELL
SHIRE COUNCIL

INTERNAL CALENDAR

September 2020

SUN	MON	TUE	WED	THU	FRI	SAT
	Survey of cat and dog seizures due First quarterly rates installment due (s.562) Stronger Communities Fund reports due Reports due for Committee Meetings by 4.30pm					
30.	31.	1.	2.	3.	4.	5.
Sapphire City Markets			9am Civil & Environmental meeting 10:30am Economic & Community Sustainability meeting			
6.	7.	8.	9.	10.	11.	12.
	Reports due for Ordinary meetings by 4:30pm Local Heritage Assistance Fund Closes					
13.	14.	15.	16.	17.	18.	19.
Sapphire City Markets			3pm Ordinary meeting		Sapphire Wind Farm Community Fund Applications Close	
20.	21.	22.	23.	24.	25.	26.
			Roads and Bridges Data Return due (Grants Commission) Lodge completed Pecuniary Interest returns for Councillors and designated persons (s.449(3)) General Manager table returns at next council meeting. (s.450A)			
27.	28.	29.	30.			

 Council office closed

1 APOLOGIES

2 CONFIRMATION OF MINUTES

RECOMMENDATION:

That the Minutes of the Ordinary Meeting of Council held on 22 July, 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, 22 JULY 2020 AT 3.00 PM**

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

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

1 APOLOGIES

Nil

2 CONFIRMATION OF MINUTES

RESOLUTION 2020/68

Moved: Cr Anthony Michael

Seconded: Cr Paul King OAM

That the Minutes of the Ordinary Meeting of Council held on 24 June, 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

At this juncture, the time being 3.09pm, the Mayor welcomed the members of the public and opened the Public Forum Session by inviting members of the public to speak.

John Ryan – Pump Track for Lions Park Inverell

Mr John Ryan advocated for not proceeding with the half court basket ball court at Lions Park, Inverell and instead remove the existing BMX track and use the materials to construct a pump track, where the baseball diamond is currently located. A pump track is designed to be ridden without pedalling. Mr Ryan said it was the “new thing” in children’s activities compared to basketball, which he called the “old thing”. He said Inverell has a strong association of the sport of cycling and a pump track would cater for young urban riders.

5 NOTICES OF BUSINESS

5.1 NOTICE OF BUSINESS - PROCUREMENT & TENDERING PLANT HIRE PROCESSES S13.5.3

RESOLUTION 2020/69

Moved: Cr Mal Peters

Seconded: Cr Neil McCosker

That in response to community concerns, the Inverell Shire Council General Manager, provide information regarding the following matters to ensure that Procurement, Tendering and Plant Hire processes and guidelines, and internal audit requirements are satisfied:

1. *What position authorises procurement, tenders for plant hire?*
2. *What position is authorised to countersign this authorisation?*
3. *In regards to contractors, does the contractor have the right to change his price during the contract period?*
4. *In the event that a contractor has the right to change his quote, what staff position deals with this matter, in particular in respect of plant hire quotes – please describe the process.*
5. *Provide a percentage breakdown of plant hire over the last two (2) year period, that is, the Business Name and the name of the piece of equipment.*
6. *In terms of heavy machinery, what is the percentage breakdown in relation to hiring the machinery, for example, % hire of excavator, % hire of truck, % hire of bulldozer, % hire of float. In addition, provision of the associated Business name to whom the equipment was hired from.*

CARRIED

6 QUESTIONS WITH NOTICE

Nil

7 ADVOCACY REPORTS

Nil

8 COMMITTEE REPORTS

8.1 CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MINUTES - 8 JULY 2020

RESOLUTION 2020/70

Moved: Cr Di Baker

Seconded: Cr Stewart Berryman

- i) *That the Minutes of the Civil and Environmental Services Committee held on Wednesday, 8 July, 2020, be received and noted; and*
- ii) *The recommendations of the Civil and Environmental Services Committee be adopted by Council.*

CARRIED

8.1.1 Bitumen Resurfacing Program 2020/2021

That:

- *the 2020-2021 Bitumen Resurfacing Program be adopted as presented; and*
- *the adopted Bitumen Resurfacing Program be placed on Council's website for the information of the community.*

8.1.2 Gravel Resheet Program 2020-2021

That:

- i. the 2020-2021 Gravel Resheeting Program as presented be adopted; and*
- ii. the adopted program be placed on Council's website for the information of the community.*

8.1.3 Strategic Location of Large Format Retail Development

That the Committee be provided with additional information regarding the number of vacant residential blocks and approved residential subdivisions within one kilometre of the B5 Business Development Land Using Zoning on the corner of Jardine Rd and Gwydir Highway, Inverell.

8.1.4 Re-Nomination of Council Representatives to the Northern Regional Planning Panel

That Council re-nominate Councillor Dianna Baker and Mr Brett McInnes, Director Civil and Environmental Services as Council representatives to the Northern Regional Planning Panel until September 2020.

8.2 ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MINUTES - 8 JULY 2020**RESOLUTION 2020/71**

Moved: Cr Jacki Watts

Seconded: Cr Kate Dight

- i) That the Minutes of the Economic and Community Sustainability Committee held on Wednesday, 8 July, 2020, be received and noted; and*
- ii) The recommendations of the Economic and Community Sustainability Committee be adopted by Council.*

.CARRIED

8.2.1 Local Government Remuneration Tribunal Determination

That for the financial year commencing 1 July, 2020, Council fix the annual fee to be paid to Councillors at the maximum allowed for the Rural Council Category, as determined by the Local Government Remuneration Tribunal; that being an annual fee paid to Councillors of \$12,160 with the Mayor receiving an additional annual fee of \$26,530.

8.2.2 Expressions of Interest to Licence Land - Lot 8 DP 188692 and Lot 7 DP 1101540 Rifle Range Road, Inverell

That:

- i) Council enter into a Licence Agreement with Mr Deon Beckhouse and Ms Emily Kenny for Lot 8, DP 188692 and Lot 7 DP 1101540 Rifle Range Road, Inverell for a five (5) year period with a further five (5) year option;*
- ii) the Licence fee be \$1,820 per annum (GST Inclusive) with a 3% increase per annum; and*
- iii) the Licence Agreement be subject to any other terms and conditions as negotiated by Council's General Manager.*

8.2.3 Classification of Freehold Tingha Lands

That:

- 1. Council resolve to give public notice that it is intended the following land is held for operational purposes.*

Location	Description	Purpose
35 New Valley Road Tingha	Lot 107 DP 722455	Tingha Depot
29 Diamond Street Tingha	Lot 7 Sect 10 DP 704	Vacant Land
16-18 Ruby Street Tingha	Lot 2 DP 218026	Tingha Town Hall & Fire Shed
14 Ruby Street Tingha	Lot 31 DP 1071167; Lot 1 DP 218026; Lot 2 Sect 3 DP 704; Lot 2 DP 587489	Wing Hing Long Store Tingha
31 Garnet Street Tingha	Lot 4 Sect 16 DP704; Lot 4 Sect 17 DP704; Lot 3 Sect 16 DP704; Lot 3 Sect 17 DP704; Lot 1 Sect 14 DP704; Lot 6 DP668621; Lot 2 Sect 14 DP704; Lot 3 Sect 14 DP704; Lot 4 Sect 14 DP704; Lot 5 Sect 17 DP704; Lot 5 DP229966; Lot 6 DP229966	Vacant Land
32 Albion Flat Road Tingha	Lot 1 DP 829960	Water Reservoir
14060 Guyra Road Tingha	Lot 1 DP 1120941	Sewer Ponds
2-4 Sapphire Street Tingha	Lot 81 DP753655; Lot 1 Sect 4 DP704	Symes Park & Aged Care Units

156 Kempton Road Tingha	Lot 123 DP42110	Tingha Garbage Tip
23 Garnet Street Tingha	Lot 1 & 2 DP 229966	Tingha Cemetery

2. *That Council invite submissions on the classification of the land as operational.*

8.2.4 Classification of Crown Reserves including Tingha Lands

That:

1. *For the Crown reserves listed below, that Council make application for ministerial consent to classify and manage Crown land as operational land under the Local Government Act 1993 (LG Act) or Crown reserves managed by Council in accordance with the Crown Land Management Act 2016 (CLM Act).*

Crown reserves acquired as part of the Tingha boundary realignment.

Location	Description	Purpose
209 New Valley Road Tingha	Lot 60 DP 753654 - Crown Reserve 68692	Old Tingha Sanitary Purposes-Vegetable Farm
2472 Thunderbolts Way Stanborough	Lot 95 DP 753655 - Crown Reserve 97203	Fire Shed - Stanborough
224 Howell Road Tingha	Lot 97 DP 753655 - Crown Reserve 86389	Tingha Impound Yards
20-22 Ruby Street Tingha	Lot 6 Sect 3 DP 704 Crown Reserve 88768	Toilets/SES/Fire Shed
54 Winterwood Road Tingha	Lot 7009 DP 1032560 - Crown Reserve 90984	Old Sanitary Depot
1434 Howell Road Tingha	Lot 7005 DP 1029803- Crown Reserve 35382 ; Lot 7001 DP 1029802; - Crown Reserve 35004	Howell Cemetery-Cemetery Extensions Plantation, Preservation of Graves
21 Garnet Street Tingha	Lot 1,2,3 DP1150694; Lot 11,12 DP105339; Crown Reserve 1024808	Tingha Cemetery
50 Old Mill Road Tingha	Lot 316 DP 753678, Crown Reserve 46853	Old Rubbish Dump
2-4 Sapphire Street Tingha	Lot 96 DP753655; Lot 7004 DP 1030577 Crown Reserve 82908	Symes Park & Aged Care Units
156 Kempton Road Tingha	Lot 77 DP 753655;; Lot 121 DP 42110; Crown Reserve 69395	Tingha Garbage Tip

Crown reserves transferred to Council as part of the Crown land management reforms.

Description	Purpose
Lot 7300 DP1150706 Crown Reserve 1026808	Wallangra Cemetery
Lot 7301 DP1150706 Crown Reserve 29419	Wallangra Cemetery
Part Lot 7001 DP1150706 Crown Reserve 39656	Connecticut Gravel Pit Coolatai
Part Lot 7001 DP1150706 Crown Reserve 1026568	Connecticut Gravel Pit Coolatai

2. For the Crown reserves listed below that as Council Crown land managers Council notify the Minister administering the Crown Land Management Act 2016 of the initial categorisation assigned to Crown land, as referred to in section 36 of the Local Government Act 1993.

Crown reserves acquired as part of the Tingha boundary realignment.			
Location	Description	Purpose	Categorisation
2921 Thunderbolts Way Tingha	Lot 118 DP 1133570 - Crown Reserve 1096	Vacant Land Reserve for Public Purposes	general community use
2 Amethyst Street Tingha	Lot 111 DP 753655 - Crown Reserve 110104	Grahame Park Reserve for Public Recreation	a park
2277 Howell Road Howell	Lot 179 DP 753664 - Crown Reserve 91076	Tingha Copeton Dam Recreation area Reserve for Public Recreation	a park
Crown reserves where Ministerial approval to reclassify to operational has previously been sought and refused.			
Purpose		Description	Categorisation
Gilgai Gravel Pit Crown Reserve 62561		Part Lot 7001 DP1067907; Lot 7003 DP1032659	general community use
Delungra Homes for the Aged Crown Reserve 94038		Part Lot 1 Sect 4 DP758348	general community use
Elsmore Rural Fire Service Crown Reserve 110026		Part Lot 38 DP753258	general community use
Gilgai Rubbish Depot Crown Reserve 78986		Lot 136 DP753271; Lot 9 DP753271	general community use
Crown reserves transferred to Council as part of the Crown land management reforms.			
Purpose		Description	Categorisation
Matheson Public Reserve Crown Reserve 73694		Lot 287 DP750076	general community use
Weean Reserve – Nullamanna Road Crown Reserve 80668		Lot 7301 DP1151919	general community use
Bonshaw Public Recreation Reserve Crown Reserve 95856		Lots 7302-7303 DP1152292	general community use
Swamp Oak Public Reserve Crown Reserve 84042		Lot 218 DP 750121	general community use

8.2.5 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.*

8.2.6 Request for reduction on water account

That an amended account of \$42.78 / quarter be issued for the last two quarters, based on average consumption of accounts prior to the leak, and write off \$526.74.

9 DESTINATION REPORTS

9.1 SUNHAVEN HOSTEL - LAND PURCHASE S3.15.1

RESOLUTION 2020/72

Moved: Cr Jacki Watts

Seconded: Cr Anthony Michael

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

10 INFORMATION REPORTS

RESOLUTION 2020/73

Moved: Cr Anthony Michael

Seconded: Cr Kate Dight

That the information reports be received and noted.

CARRIED

10.1 STRATEGIC TASKS - 'SIGN OFF' - JULY 2020 S4.13.2

10.2 INFORMATION ON FUTURE LIVING LANDS IN PROXIMITY TO THE B5 BUSINESS DEVELOPMENT ZONE. S13.5.2/13

10.3 STAFF MOVEMENT: - 01 APRIL 2020 TO 30 JUNE 2020 S22.25.1

10.4 STATUS OF TOWN WATER SUPPLIES S13.5.2/13

10.5 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENT CERTIFICATES DURING JUNE 2020 S13.5.2/13

10.6 SEPTIC TANK APPROVALS FOR JUNE 2020 S13.5.2/13

10.7 ORDINANCE ACTIVITIES REPORT FOR JUNE 2020 S13.5.2/13

10.8 TOURISM & MARKETING UPDATE S13.5.2/13

10.9 RENEWABLE ENERGY ZONE (REZ) S7.14.4

RESOLUTION 2020/74

Moved: Cr Mal Peters

Seconded: Cr Anthony Michael

That Council receives a report detailing:

- a) The surplus generation capacity of the local renewable energy industry,*
- b) Total energy consumption of the Inverell Shire,*
- c) Cost to install batteries to cater for that, and*
- d) What are the distribution difficulties related to greater utilisation of renewable energy.*

CARRIED

10.10 ROAD NETWORK FUNDING S16.7.26/09

11 GOVERNANCE REPORTS

Nil

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

At 3.50pm, 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 2020/75

Moved: Cr Jacki Watts
Seconded: Cr Paul King OAM

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

CARRIED**RESOLUTION 2020/76**

Moved: Cr Stewart Berryman
Seconded: Cr Di Baker

That Council proceeds out of Closed Council into Open Council.

CARRIED

Upon resuming Open Council at 3.54pm, 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 SUNHAVEN HOSTEL - LAND PURCHASE S3.15.1

That:

- a) Council commence the compulsory acquisition of 12 Kneipp Street, Ashford, being Lots 8 & 9, Section 46, DP 758036;*
- b) Any necessary documents be completed under the Common Seal of Council; and*
- c) 12 Kneipp Street, Ashford be sold to Sunhaven Hostel for a purchase price, as determined during the compulsory acquisition process for this property.*

ADOPTION OF RECOMMENDATIONS**RESOLUTION 2020/77**

Moved: Cr Di Baker
Seconded: Cr Paul King OAM

That the recommendations of Closed Council be adopted.

CARRIED

The Meeting closed at 3.55pm.

3 DISCLOSURE OF INTERESTS / PECUNIARY AND NON-PECUNIARY INTERESTS

4 PUBLIC FORUM

5 QUESTIONS WITH NOTICE

Nil

6 MAYORAL MINUTE**6.1 MAYORAL MINUTE - NSW / QLD CROSS BORDER ISSUES****File Number:** S14.18.6/13 / 20/32664**Author:** Paul Harmon, Mayor**MOTION:**

That the NSW Cross Border Commissioner and Member for Northern Tablelands be requested to renew their efforts in approaching the Queensland Minister for Health to:

- a) *Implement the compassionate grounds for entry into Queensland that were available to NSW residents under the initial border closure rules; and*
- b) *Include the 2360 postcode in the 'border bubble'.*

REASONS:

I have received a number of approaches from Shire residents (both inside and outside the 'border bubble'), requesting that Council advocate on their behalf to enable them to:

- Attend medical appointments in locations outside the 'Qld border bubble',
- Support children in boarding schools in Qld; and
- Undertake animal welfare activities on land owned in Queensland.

ATTACHMENTS:**Nil**

7 ADVOCACY REPORTS

7.1 NOTICE OF BUSINESS - BONSHAW WATER SUPPLY

File Number: S13.5.3 / 20/32424

I, Councillor Kate Dight, give notice that at the next Ordinary Meeting of Council to be held on 26 August 2020, I intend to move the following motion:

MOTION:

That:

- i) Council staff prepare a report that identifies all operational issues, including but not limited to, water pressure issues impacting the Bonshaw Water Supply; and*
- ii) Prepare a report on the options available to address the identified issues.*

COUNCILLOR K DIGHT

9 AUGUST 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

7.2 BORDER REGIONAL ORGANISATION OF COUNCILS MEETING - FRIDAY 14 AUGUST 2020**File Number:** S14.10.1 / 20/32418**Author:** Kate Dight, Councillor**SUMMARY:**

The Border Regional Organisation of Councils met on Friday 14 August 2020. A delegates report is provided for the attention of Council.

RECOMMENDATION:

That:

- i) *Inverell Shire Council invite Tim Breen to address Council to advocate for the NilWaste to Energy Project; and*
- ii) *Cr Dight to advocate to James McTavish issues relating to standardisation of town water use levels and cross border COVID restrictions affecting the medical and agricultural industry for the Inverell Shire Council.*

COMMENTARY:

Due to COVID 19 restrictions, we held an e-meeting and had a record attendance of about 25 members and guests. As well as representatives from Balonne, Goondiwindi, Moree, Tenterfield, Gwydir, Bulloo and the Southern Downs, we also had James McTavish, the NSW Cross Border Commissioner; Kate Williams from Qld Dept Premier & Cabinet; Damien Meadows of the Office of LG; Jo Tait from ARTC; Russell Stewart from RDANI and Kym Murphy from Qld Dept of Transport & Main Roads. The group is growing with an application from the Paroo Shire in Queensland to also join. The current border bubble arrangements coming out of the Covid situation are extremely contentious and probably added to the interest and inquiry for this quarter's meeting.

Items for General Business:

1. BROCC Website – get reinstated
2. Bruxner Way Joint Committee – The relevant councils have met and coordinated the application to have the Bruxner Way returned to the jurisdiction of the NSW State Government. The issue of the standard of maintenance is a continuing concern for all Councils if this ownership was to be transferred.
3. Trudi Bartlett raised the opportunity for cross border mapping of water flows and further promoted the regional connectivity program.
4. Moree raised the issue of the shutting down of the 3G network by Telstra and there was general agreement that this would negatively affect all member councils. All agreed to progress this matter further with urgency.
5. Kym Murphy from the QLD Dept of Transport & Main Roads spoke of the great work done to bring the bitumen seal of the highway in the Balonne Shire to fruition.
6. Jo Tait from the ARTC invited all member councils to apply for the ARTC Interface Improvement programs as per the following; *“Expressions of Interest for the Australian Government’s **Inland Rail Interface Improvement Program** will open on **Monday 17***

August 2020 and close on 18 September 2020. Individuals, businesses, organisations and governments with ideas on how to make the most of Inland Rail through improved connections or enhanced supply chain productivity are invited to submit their project proposals. Through this program, eligible project proponents are matched with specialist business advisors to develop their ideas and assess costs and benefits through feasibility studies and strategic business cases. Advisors are appointed and paid by the Program and work with proponents to build a case for investment which follows best practice infrastructure investment planning processes. To find out more about the Interface Improvement Program and submit a proposal visit <https://www.InlandRail.gov.au/IIP> Please feel free to share this information with your networks.

7. Sally Dickinson reported that the new Chair of the MDBA is Mr Angus Houston, a great leader who was previously the Air Chief Marshall of the Department of Defense.
8. Water Reports from NSW Water Directorate and DPIE. I put forward the reports Council have already seen for discussion. The relevant outcome was to raise the issue of standardised water restrictions with the Officer of Regional Town Water Supply, James McTavish and both Moree and Southern Downs expressed concerns for standardised water use compliance and suggested the approach needs to be community tailored. The issue of recycling of water supplies was interesting with Councils explaining that they have advanced recycled water systems in place, i.e., Warwick recycle 70% of their water onto sporting fields etc. and Balonne irrigate from their sewage treatment plant.

Invited Speakers;

- **Anne Leahy from the LNP Queensland.**

Anne has addressed BROCC previously and is aware of many of the cross-border issues that exist. With this understanding, Anne came to the meeting to announce that the LNP would deliver a cross border commissioner for QLD & NSW if the LNP was to be elected in October. This was welcome news and would indeed be a huge step forward to cross border issues.

- **James McTavish, NSW/VIC Cross Border Commissioner.**

James is equally familiar with this forum and the issues that we face with the NSW and Queensland border and updated us on the following.

- James has also been acting as the officer for the Regional Town Water Supply for NSW which has been a huge role over the last 12 months with the drought. As he explained, there have been so many issues to report on and while things have improved with the recent rain events, of the 140 towns that were nearly out of water, there are still about 50 towns that remain on restrictions. He is committed to an open water conversation and he commends Tenterfield for their handling of their crisis water scenario and their proactive approach to finding solutions for supply. He strongly recommends that all Councils actively contribute to the State Water Strategy.
- He is better supported now with additional human resources and he is looking to collaborate with the JO's and BROCC to progress issues.
- He has represented a number of enquiries following the bush fire events in southern NSW and is pleased to report that the QLD and NSW fire agencies are much better coordinated than others.
- The COVID response has been a huge event for border communities. The restrictions are having huge impacts on agricultural and medical issues for border areas. Despite hundreds of representations from NSW trying to realign the approach, and he has little information as to why the Queensland government is taking such a firm approach to border control and protection. Primarily it is in the

- domain of the QLD Department of Health and relevant Ministers. All we can do it continue to advocate for change and a local solution to the problem.
- The Memorandum of Understanding for Cross Border relations is being designed and has 3 main focus priorities:
 1. Regional Economic Development and Tourism which has been badly impacted by drought, fire, floods and COVID 19.
 2. Improved Service Delivery and Emergency Management. Sharing data information for TelGov and making sure that there is access to community transport.
 3. Simplification of Regulations. Implementing the transition to digital licensing scheme to simplify the reporting system. There is a strong need for inter-operability. There are sensitivities to consider but they are being worked through.
 - They are still actively looking for projects that suit the Cross Border Infrastructure Fund that promotes connectivity. Projects to the value of \$10million have been identified such as with Inland Rail, but they are looking for more. While preferred, it is not a requirement that they be shovel ready. Priority is given to those projects that provide a regional stimulus.
- **Tim Breen, Waste to Energy (presentation attached refer Appendix 1).**

Tim addressed the group to promote a transportable thermal processing unit that he is marketing to Council suitable for remote waste collection services. They have had media coverage with a recent report on 4Corners. The plant design originated in Perth and it has currently attracted state funding to progress the project to construction with test units being available in March 2021. The real value of the transportable unit is to provide a landfill diversion for hazardous waste. Currently there is no recycle program for bad plastics and this works via photolysis, recycling major pathogens and creating a residual energy program. Tim would welcome the opportunity to address individual councils.

RISK ASSESSMENT:

Nil.

POLICY IMPLICATIONS:

Nil.

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

1. Nilwaste Presentation to BROCC August 2020

Nilwaste Energy Presentation

August 2020 | PRIVATE & CONFIDENTIAL





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THE PROBLEM

Traditional methods of using landfill and incineration to dispose of waste streams are no longer acceptable in the developed world.

With the global population is predicted to approach 9 billion by 2030, we are using more resources than the planet can provide. Our future depends on reusing what we have in a sustainable way. The economics of the Australian Waste Management Industry have changed dramatically over the past several years with the balance tipping in favour of recycling and remediation, and against the historical model of bury or burn.

At its peak in 2015, China imported 46M tonnes of waste. Waste had a commercial value with 1 tonne of mixed plastic being traded at A\$150. On 1 January 2018, China banned the import of waste materials, which led to a A\$300 per tonne price differential as the revenue disappeared and landfill levies were introduced by State Governments.

The State Government waste levy applies to all general waste in NSW and QLD ranging from \$75- \$155 per tonne. Of the 11M tonnes of waste generated in Queensland in 2017/18 (11% annual increase) only 19,000 tonnes of plastics were recycled.

For end-of-life materials, there are a variety of solutions which can be utilised to minimise the bury and negate the burn. Pyrolysis is a significant part of this solution and is an ideal component of any waste management facility that can be used to process a wide variety of waste which would otherwise have to be landfilled.



THE SOLUTION

Nilwaste Energy Limited ("Nilwaste") has been established to design, construct and operate fourth-generation, state of the art pyrolysis plants in Australia to process waste streams and remediate hazardous materials.

Queensland University of Technology ("QUT") has selected Nilwaste as its partner to design and commission Nilwaste's proven and patented pyrolysis systems to demonstrate their performance in Australia.

A demonstration pyrolysis plant will be deployed in Brisbane as the first and only commercially available testing facility in Australia for both Industry and Government.

Nilwaste has secured a \$250,000 grant from the Queensland Government W2B Fund to partly fund the plant on a dollar-for-dollar basis.

After the Australian validation trials, Nilwaste will construct and commission a number of commercial Pyrolysis plants with processing capacities in the range of 1t – 10t per hour.



Type 3 Pyrolysis Plant Surrey, Canada



ADVANCED PROCESSING

Pyrolysis is a proven efficient method involving the application of high and ultra-high heat indirectly to materials in a sealed chamber or retort. This causes volatile components of the feedstock to leave the chamber as a gas and the residual materials inert or as a biochar.

Pyrolysis is **not** incineration, and generates up to 95% less greenhouse gases in comparison to incineration. It is not permissible to commission new incinerators in Australia (WA excluded).

Municipal Solid Waste ("MSW") typically contains 75% combustibles which could be processed via pyrolysis to generate both liquid and gas fuel offtakes, and dramatically reduce materials currently being landfilled.

Nilwaste's pyrolysis plant also benefits from its patented high temperature filter (HTF) which removes particulates down to approximately minus 0.01 microns in size, greatly enhancing process economics and resulting in ultra-low harmful emissions

Nilwaste will offer a clients an environmentally friendly, energy self-sufficient closed loop waste solution, which is transportable and has ultra-low emissions.



INTELLECTUAL PROPERTY

Struan Robertson is the co-founder of Nilwaste and he has a long history in the field of waste remediation. He was the co-founder of Tox Free Solutions Limited, Australia's largest waste remediation company, which was purchased by Cleanaway in June 2018 for \$671M.

Struan Robertson has invented, developed and patented pyrolytic processes and commissioned Type 1 and Type 2 pyrolytic plants which were the underlying business of Tox Free Solutions on ASX listing.

Subsequently Struan developed subsequent generation systems under new global patents through Toxfree Systems Inc, including the Type 3 advanced pyrolytic process that was commercially operated in Canada.

QUT has recognized the need for advanced processing of waste streams and has entered into formal agreements with Nilwaste for the development of a Nilwaste demonstration pyrolysis plant that will provide performance data to a large number of potential users who need to process a wide range of feedstocks. Nilwaste retains ownership of all IP and the demonstration plant.



VALIDATION

Process validation on the Type 1, 2 and 3 Pyrolysis Plants has been undertaken by highly regarded international engineering firms over the last 10 years, including AECOM. This data has validated the patented pyrolysis process and confirmed the conversions ratios of various feedstocks.

Offtake quality from the Type 1, 2 and 3 Pyrolysis Plants has been validated through both trials and commercial operations. Trials were undertaken by highly regarded independent firms including Earthtech and AECOM, while commercial validation was evidenced by Fletcher Group and Chevron.

Environmental and emissions performance has been validated by Earthtech who undertook emissions analysis of the processing of end of life tyres at a Type 2 plant. This analysis demonstrated that the patented high temperature filter ensured that the emissions met the strict requirements of the United States Government, Environmental Protection Agency and the West Australian Government, Environmental Protection Agency.

Feedstock	Description	Offtakes
Waste Plastics	LDPE, LLDPE, HDPW, PP and PS	Diesel extender, Syngas, Process Heat, Electricity and heat via Cogen Generator
Bio-solids	STP by-products	Syngas, Pathogen and micro plastic free fertilizer, Biochar, Electricity and heat via Cogen Generator
Tyres	Car, truck and Machinery	Carbon black industrial colourant, Syngas, Biochar, Electricity and heat via Cogen Generator
MSW	Landfill	Syngas, Pathogen and micro plastic free fertilizer, Biochar, Electricity and heat via Cogen Generator





DEMONSTRATED EXPERIENCE

Struan Robertson has designed and commissioned the following commercial pyrolysis plants:

In 1993, the Type 1, 2 tonne per hour Pyrolysis Plant was commissioned and operated in Brisbane and licensed to process hazardous materials by the QLD Government, Environmental Protection Agency.

In 1999, the Type 2, 6 tonne per hour Pyrolysis Plant was commissioned and operated in Port Headland and Kwinana and licensed to process hazardous materials and end of life waste materials by the WA Government, Environmental Protection Agency.

In 2006, the Type 3, 1 tonne per hour Pyrolysis Plant was commissioned and operated in Surrey, British Columbia, Canada. The Plant was licensed to process end of life tyres and Municipal Solid Waste by the British Columbia Government, Environmental Protection Agency.



Type 1 Pyrolysis Plant Brisbane



Type 2 Pyrolysis Plant Kwinana



Conventional Feedstock v Waste Feedstock

Conventional Feedstocks;

- LNG
- Crude Oil
- Coal

Unconventional Feedstocks;

- Biodiesel
- Farmed Forests
- Woody Biomass

Waste Feedstocks;

- Municipal Solid Waste
- Waste Plastics
- Bio-solids

Feedstock	Description	Gross Calorific Value (MJ per kg)
Liquefied Natural Gas	Hydro-carbon production	55.19
Crude Oil	Hydro-carbon production	45.53
Coking Coal (wet)	Coal production	29.86
Methyl Ester (Biodiesel)	Agricultural production then multi process	40.16
Farmed Forrest (dry)	Agricultural production then multi process	20.58
Woody Biomass (dry)	Agricultural production then multi process	18.12
LDPE / LLDPE	Rigid, Foam or Film – Container lid, Laptop packaging, Film	45.70
PP	Rigid Plastic - Bottle cap, Plastic cup, Jar lid	44.10
PS	Rigid or Foam – Takeaway container, Deli container lid	40.40
MSW	Landfill	11.73
Bio-solids	Digested STP Sludge	12.00





OPEX v CAPEX

Nilwaste will charge clients an agreed processing fee for feedstocks and the client will benefit from the use or on-sale of offtake materials such as diesel, gas, carbon black, biochar and electricity. Clients will benefit from an environmentally sustainable waste solution which reduces costs and provides new revenue streams.

Nilwaste will seek to engage commercial counterparties (including local governments) who require a solution to their respective waste material or hazardous materials streams and offer a cost effective and environmentally friendly solution.

Nilwaste intends on entering long-term processing contracts with significant commercial counterparties who can both deliver waste stream feedstocks and have a use for the pyrolysis process offtakes.

Nilwaste has deliberately chosen not to base its business model solely on the sale of commercial offtakes for the following reasons:

- Exposure to commodity prices, including oil, gas and coal;
- Offer clients an OPEX solution as opposed to a CAPEX solution; and
- Exposure to duties and excise.





BUSINESS SECTORS

Regeneration

Processing end of life materials via pyrolysis to produce regenerated products as saleable offtakes; feedstocks may include:

- Waste Plastics – Low Density Polyethylene, High Density Polyethylene, Polystyrene and Polypropylene
- Used Tyres – Car tyres, Truck tyres and Heavy Equipment tyres
- Municipal Solid Waste – landfill

Remediation

Processing hazardous and toxic materials to produce inert material; feedstocks may include

- Hazardous materials
 - Insecticides and Pesticides
 - Waste materials from industrial processes
-





TEAM

Board



Managing Director

Tim Breen is a Director of 153 East Partners an Australian based independent corporate advisory firm. Tim has founded and commercialised a number of early stage businesses over the past 10 years in both Australia and Asia.



Chairman

Graham McElvenny is the Principal of Sydney based boutique law firm Graham C McElvenny and Co. He previously held the position of General Counsel at Citibank, Asia Pacific for 12 years. Graham is a Director of a number private companies and trusts.



Director Research and Development

Struan Robertson founded ASX listed Tox Free Solutions Ltd, which was Australia's largest waste and remediation company. He designed, developed and patented the pyrolytic processes which were the underlying business of Tox Free on ASX listing.

Project Team

QUT (Project Partner)

Major Australian university with a global outlook. Home to nearly 50,000 students, providing real-world infrastructure, learning and teaching, and graduate skills to the next generation of change-makers.

OPEC Systems (Engineering Partner)

Environmental and engineering services company specialising in hazardous materials remediation, environmental consultancy and contaminated soil and water remediation.

153 East Partners (Corporate Advisor)

An independent corporate advisory and investment firm with extensive corporate finance and M&A experience in Asia Pacific, Asia, Europe and the US.





 **NilWASTE** ENERGY

CONTACT DETAILS

Tim Breen - Managing Director
0422 949 085

Nilwaste Energy Ltd

6 COMMITTEE REPORTS**8.1 AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES - 5 AUGUST 2020****File Number:** S4.11.21/02 / 20/30961**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

Please see below for the unconfirmed minutes of the Audit Risk and Improvement Committee Meeting held on Wednesday, 5 August, 2020 for the consideration of Council.

RECOMMENDATION:

That the Minutes from the Audit Risk and Improvement Committee meeting held on 5 August, 2020 be received and noted.

**MINUTES OF INVERELL SHIRE COUNCIL
AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 5 AUGUST 2020 AT 10.00AM**

PRESENT: Mr Phil Schwenke (Independent Member) (Chair), Mrs Nicky Lavender (Independent Member) and Cr Kate Dight via Zoom.

1 ATTENDANCE

Scott Norman (Director Corporate & Economic Services), Paul Pay (Manager Financial Services), Todd Dewey (Crowe) via Zoom for item 8.2, Alex Akkerman (JLT) via Zoom for item 6.1, Alex Rainger (Risk Coordinator) for item 6.1 and Mikaela Bennion (Trainee Accountant).

2 APOLOGIES

Mr Paul Cornall (Forsyths) and Mr Chris Harper (NSW Audit Office).

3 CONFIRMATION OF MINUTES**COMMITTEE RESOLUTION**

Moved: Mrs Nicky Lavender (Independent Member)

Seconded: Cr Kate Dight

That the Minutes of the Audit Risk and Improvement Committee Meeting held on 17 June, 2020, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

MATTERS ARISING FROM THE MINUTES

Related Parties Transaction Declarations – Phil Schwenke enquired if all the declarations regarding related parties transactions had been returned and if there was any statutory or similar requirement stipulating the use of these declarations? He was informed that there is still one

outstanding and that it was uncertain whether there was a statutory obligation to complete these.

Carried Forward of remaining 2019-20 ARIC budget allocation. Phil Schwenke asked if the balance of the 2019-20 had been carried forward to the current year? Paul Pay replied that revotes had not yet been finalised.

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

Nil

5 INFORMATION REPORTS

5.1 INSURABLE RISK S4.11.21/01

Alex Akkerman from Marsh Risk Consulting presented the 'Inverell Shire Council Insurable Risk Profiling Report'. This is part of a Statewide Mutual board initiative which seeks to identify any potential insurable exposure to Council that are not covered under current insurance arrangements. Additional Fraud/Crime Insurance was purchased as part of the current year program. The need for Contract Works Insurance will be considered as part of the contract management internal audit and Statewide will provide options and pricing for Environmental Liability cover for named sites.

5.2 AUDIT NSW PERFORMANCE AUDITS 20-21 S4.11.21/02

The NSW Audit Office has released its 2020-21 Annual Work Program. The program includes three (3) performance audits on the Local Government sector that assess whether the activities of government entities are being carried out effectively, economically, efficiently and in compliance with relevant laws. The subjects for this year's audits are business continuity planning; council annual charges; and coordination of agencies in precinct planning. The audits are completed in conjunction with selected councils but are intended to be useful across the sector.

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
Seconded: Mrs Nicky Lavender (Independent Member)

That the information reports be received and noted.

CARRIED

6 LEGISLATIVE COMPLIANCE REPORTS

6.1 COMPLIANCE REPORTING S4.11.21/02

This report details Council's achievements in meeting the requirements of the Office of Local Government (OLG) compliance calendar.

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
Seconded: Mrs Nicky Lavender (Independent Member)

That the Committee note the information.

CARRIED

7 INTERNAL AUDIT PROGRAM REPORTS

7.1 PROCUREMENT INTERNAL AUDIT S4.11.21/03

The Internal Audit of Procurement was completed as part of the 2019-20 program. Following the audit, changes to the *Local Government Act 1993* and a related management point raised by external audit, the Procurement and Disposal Policy has been amended. The report reconciled the recommendations of the internal audit to the amended policy. It was noted that clarification had not been provided on Ch6, Part 3, Div, S55 in relation to the provision of services by employees.

COMMITTEE RESOLUTION

Moved: Mrs Nicky Lavender (Independent Member)

Seconded: Cr Kate Dight

- I. That the Committee receive and note the information.*
- II. That Clarification be provided on Ch6, Part 3, DivS55 item (n) (ii) less than \$150,000 or another amount as may be prescribed by the regulations for a contract involving the provision of services where those services are, at the time of entering the contract, being provided by employees of the council*

CARRIED

7.2 CUSTOMER REQUESTS AND COMPLAINTS MANAGEMENT FRAMEWORK INTERNAL AUDIT S4.11.21/03

The Customer Requests and Complaints Management Framework Audit has been completed and was presented for the Committee's consideration. A response from Management will be sought and presented to the next ARIC meeting. Todd Dewey (Crowe) conducted the audit and addressed the meeting. Todd stated the audit produced no red flags in terms of how Council staff were dealing with management of complaints, enquires and queries and most recommendations relate to improved documentation of policies and procedures.

COMMITTEE RESOLUTION

Moved: Mrs Nicky Lavender (Independent Member)

Seconded: Cr Kate Dight

That the Committee receive the Customer Requests and Complaints Management Framework Internal Audit and seek a response to the recommendations from Management.

CARRIED

7.3 INTERNAL AUDIT PROGRAM S4.11.21/03

The Committee was asked to authorise the next audit in the 2020-21 internal audit program.

COMMITTEE RESOLUTION

Moved: Cr Kate Dight

Seconded: Mrs Nicky Lavender (Independent Member)

That the Committee authorise the audit of Council's Project Management Systems and Controls.

CARRIED

7.4 COUNCIL POLICIES REVIEW DATES S4.11.21/01 - SUPPLEMENTARY

This report provides further detail on the currency of policies of Council. It was noted that review of policies adopted by Council will be deferred until 2021 in line with the extension of the current term of Council. A rolling review of Management-adopted policies is due to commence later this year.

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
Seconded: Mr Phil Schwenke (Independent Member)

That the report be received and noted.

CARRIED**8 GENERAL BUSINESS REPORTS****8.1 OUTSTANDING ACTIONS REPORT S4.11.21/02**

The purpose of this report is to provide the Committee with an update of previous resolutions with actions that remain incomplete.

COMMITTEE RESOLUTION

Moved: Mrs Nicky Lavender (Independent Member)
Seconded: Cr Kate Dight

That the Committee receive the report and note the information provided.

CARRIED**8.2 PERFORMANCE REPORTING S4.11.21/02**

The Committee discussed a format and process for internal assessment of ARIC performance. Various approaches were discussed, Nicky Lavender offered to develop a template based on the Committee's goals and objectives. It was agreed feedback should be sought from Councillors.

COMMITTEE RESOLUTION

Moved: Mr Phil Schwenke (Independent Member)
Seconded: Cr Kate Dight

The Committee accept Nicky Lavender's offer to develop and circulate a reporting template based goals and responsibilities of the Committee.

CARRIED**8.3 ARIC MEETING DATES FOR 2020 S4.11.21/02**

The timetable for the 2020 External Audit has been pushed back a month. The Committee agreed to reschedule the next meeting to align with the external audit of the Financial Statements. The External Auditors report to Council is now scheduled for the December 2020 meeting.

COMMITTEE RESOLUTION

Moved: Mrs Nicky Lavender (Independent Member)
Seconded: Cr Kate Dight

That the ARIC meet in the week ending Friday, 13 November, 2020.

CARRIED**8.4 WHS UPDATE REPORT S4.11.21/02**

This report is to update the Committee on progress to implement a corrective action plan that was developed following StateCover's audit of Council's WHS Management System (WHSMS). The next significant milestone will be the release of the revised Safe Systems of Work and associated training.

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
Seconded: Mrs Nicky Lavender (Independent Member)

That the Committee receive and note the progress report.

CARRIED**8.5 TERM OF ARIC MEMBERS S4.11.21/02**

Council has invited Committee Members to extend their tenure to reflect the extended term of Council. All Committee Members confirmed they would extend their term. There was a discussion regarding the timing of proposed changes to the ARIC Guidelines and how to achieve some continuity of membership of the Committee to facilitate a smooth transition to the next Committee.

COMMITTEE RESOLUTION

Moved: Mr Phil Schwenke (Independent Member)
Seconded: Cr Kate Dight

- i. That the Committee advise Council that the current Membership are willing to extend the term of their membership of the Audit Risk and Improvement Committee members until 31 August, 2021.*
- ii. That Council be asked to consider appointing a third independent member to provide greater opportunity to achieve some continuity of membership between the current Committee and the next.*
- iii. That the Committee recommend the expanded membership only be considered a transitional arrangement and the membership revert back to three on the appointment of the new Committee.*

CARRIED

9 OTHER BUSINESS

There was discussion regarding the performance of Crowe as internal auditors and it was concluded to request a scope from them for the next internal audit being Project Management Systems and Controls.

10 NEXT MEETING

Week ending Friday, 13 November, 2020.

The Meeting closed at 12:07pm

ATTACHMENTS:

Nil

8.2 ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MINUTES - 12 AUGUST 2020

File Number: S4.11.17/12 / 20/31853

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

Meeting held on Wednesday, 12 August, 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, 12 August, 2020, be received and noted; and*
- ii) *The recommendations of the Economic and Community Sustainability Committee be adopted by Council.*

8.2.1 Water Forums

RECOMMENDATION:

That the report be received and noted.

8.2.2 Reflection Garden

RECOMMENDATION:

That Council proceed with the project and choose the exact location to avoid impact on Council services but as close as possible to the preferred site.

8.2.3 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.*

8.2.4 Copeton Northern Foreshores Communal Hall Tender

RECOMMENDATION:

That:

- a) the Tender from Efficient Building Pty Ltd for the Copeton Northern Foreshores Communal Hall for the Tender price of \$471,856.78 (excluding GST) be accepted; and*
- b) the General Manager be authorised to execute the contract as a Simple Works Contract.*

ATTACHMENTS:

- 1. Minutes of Economic and Community Sustainability Committee Meeting 12 August, 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, 12 AUGUST 2020 AT 10.30 AM**

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

IN ATTENDANCE: Cr Stewart Berryman, Cr Neil McCosker via Zoom, Cr Mal Peters via Zoom and Cr Di Baker.
Paul Henry (General Manager) and Scott Norman (Director Corporate & Economic Services).

1 APOLOGIES

Nil

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
Seconded: Cr Anthony Michael

That the Minutes of the Economic and Community Sustainability Committee Meeting held on 8 July, 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 ADVOCACY REPORTS

4.1 WATER FORUMS S11.15.1

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
Seconded: Cr Paul Harmon

That the report be received and noted.

CARRIED

5 DESTINATION REPORTS

5.1 REFLECTION GARDEN S21.8.31

COMMITTEE RESOLUTION

Moved: Cr Paul King OAM

Seconded: Cr Kate Dight

The Committee recommends to Council that Council proceed with the project and choose the exact location to avoid impact on Council services but as close as possible to the preferred site.

At 11:01 am, Cr Paul Harmon left the meeting.

At 11:02 am, Cr Paul Harmon returned to the meeting.

CARRIED

5.2 COPETON NORTHERN FORESHORES COMMUNAL HALL TENDER S4.19.20

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Kate Dight

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

6 INFORMATION REPORTS

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Kate Dight

That the information reports be received and noted.

CARRIED

6.1 UPDATE OF PROJECTS IN PROGRESS - AUGUST 2020 S15.8.99**6.2 TIMING OF 2020 ANNUAL FINANCIAL STATEMENTS S12.11.2****6.3 COMMBIZ LOCAL ECONOMIC ACTIVITY REPORT S8.3.1/13****6.4 BUY FROM THE BUSH AND FACEBOOK AUSTRALIA PARTNERSHIP S8.3.1/13****7 GOVERNANCE REPORTS****7.1 GOVERNANCE - MONTHLY INVESTMENT REPORT S4.11.17/12****COMMITTEE RESOLUTION**

Moved: Cr Paul King OAM

Seconded: Cr Kate Dight

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**8 CONFIDENTIAL MATTERS (COMMITTEE-OF-THE-WHOLE)**

At 11.06am, 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 Paul Harmon

Seconded: Cr Paul King OAM

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 Paul Harmon

Seconded: Cr Kate Dight

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

CARRIED

Upon resuming Open Committee at 11.15am, 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:

8.1 COPETON NORTHERN FORESHORES COMMUNAL HALL TENDER S4.19.20

That:

- a) *the Tender from Efficient Building Pty Ltd for the Copeton Northern Foreshores Communal Hall for the Tender price of \$471,856.78 (excluding GST) be accepted; and*
- b) *the General Manager be authorised to execute the contract as a Simple Works Contract.*

CARRIED

ADOPTION OF RECOMMENDATIONS**COMMITTEE RESOLUTION**

Moved: Cr Paul Harmon

Seconded: Cr Kate Dight

That the recommendations of Closed Committee be adopted.

CARRIED

The Meeting closed at 11.21am.

8.3 CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MINUTES - 12 AUGUST 2020

File Number: S4.11.16/12 / 20/31861

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

Meeting held on Wednesday, 12 August, 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, 12 August, 2020, be received and noted; and*
- ii) *The recommendations of the Civil and Environmental Services Committee be adopted by Council.*

8.3.1 Planning Proposal - Amendment to the Inverell Local Environmental Plan 2012 - Corner Gwydir Highway and Jardine Road, Inverell**RECOMMENDATION:**

That:

- i. *The Planning Proposal to amend the Inverell Local Environmental Plan 2012 to facilitate a large format retail development be forwarded to the NSW Department of Planning, Infrastructure and Environment requesting a Gateway Determination in accordance with sections 3.33 and 3.34 of the Environmental Planning and Assessment Act 1979;*
- ii. *The Director Civil and Environmental Services be authorised to undertake the procedural steps associated with the progress of the Planning Proposal and obtaining the Gateway Determination, including any minor amendments, information requests and public exhibition; and*
- iii. *A further report be submitted in relation to this matter following public exhibition.*

8.3.2 Annual Heritage Advisory Service Update**RECOMMENDATION:**

- 1. *That the Committee suspend standing orders to allow Heritage Advisor, Mr Mitch McKay the opportunity to address the Committee; and*
- 2. *That the Committee recommend to Council that the 2019-2020 annual reporting and funding acquittals to Heritage NSW, be noted.*

CARRIED

8.3.3 Rural Sealed Road Rehabilitation Plan**RECOMMENDATION:**

That:

- i) the Rural Sealed Roads – Rehabilitation Plan 2020 – 2024 be adopted; and*
- ii) the associated Local Roads and Regional Roads Rehabilitation Programs be endorsed, and utilised for funding allocations in the nominated Budget Votes.*

8.3.4 Funding Allocation - Gravel Resheeting, Woodstock Road and Waterloo Road**RECOMMENDATION:**

That the 2020/2021 Special Roads Projects budget of \$341,055 be allocated for gravel resheeting to be completed on sections of Woodstock Road and Waterloo Road during the current financial year.

8.3.5 Regional Road Transfer and Road Classification Review**RECOMMENDATION:**

That:

- (i) The information in the report be received and noted;*
- (ii) Council staff conduct a review of all Council controlled roads in accordance with the classification framework provided by TfNSW and a further report be presented to Council regarding any potential classification changes;*
- (iii) A priority submission be made for the Bruxner Way and Bundarra Road to be transferred to State Government control, provided the conditions outlined in the report are met;*
- (iv) Council provide in principal support for the transfer of all ISC controlled Regional Roads to State Government control, provided the conditions outlined in the report are met; and*
- (v) Council notify NEJO, BROOC and neighbouring Councils of its position so that joint submissions can be investigated.*

8.3.6 D-33/1992 - SUBDIVISION OFF PALAROO LANE - ROAD NAMING**RECOMMENDATION:**

That:

- 1. The road running south off Palaroo Lane not be named “Lorikeet Lane”;*
- 2. The appropriate steps be taken to formally name the road running south off Palaroo Lane as “Olive Grove Lane”; and*
- 3. Council authorise the General Manager to undertake the road naming in accordance with the NSW Road Regulation 2018.*

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

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the information be received and noted.

CARRIED

ATTACHMENTS:

1. Minutes of Civil and Environmental Services Committee Meeting 12 August, 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, 12 AUGUST 2020 AT 9.00 AM**

PRESENT: Cr Di Baker (Chair), Cr Paul Harmon (Mayor), Cr Mal Peters via Zoom, Cr Stewart Berryman, and Cr Neil McCosker via Zoom.

IN ATTENDANCE: Cr Anthony Michael (Deputy Mayor), Cr Jacki Watts and Cr Kate Dight.

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

1 APOLOGIES

Nil

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 8 July, 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 PUBLIC FORUM

SUSPENSION OF STANDING ORDERS

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That standing orders be suspended to enable Stephen Leathley from Insite Planning Services and Phillip Drew from Bunnings to address the Committee.

Time being 9.04am

CARRIED

BUNNINGS PLANNING PROPOSAL

Stephen Leathley from Insite Planning Services and Phillip Drew from Bunnings addressed the Committee regarding the planning proposal for the corner of Jardine Road and Gwydir Highway, Inverell. Bunnings wishes to build a new store on the site. Phillip Drew spoke about the shortfalls of the current store, both in relation to the building and the location. Stephen Leathley spoke about the planning process, how the application addressed the requirements, the nature of the development and the impacts on neighbouring properties and the local businesses.

RESUMPTION OF STANDING ORDERS

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That standing orders be resumed.

CARRIED

5 DESTINATION REPORTS

5.1 PLANNING PROPOSAL - AMENDMENT TO THE INVERELL LOCAL ENVIRONMENTAL PLAN 2012 - CORNER GWYDIR HIGHWAY AND JARDINE ROAD, INVERELL S18.6.34/09

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the Committee recommend to Council that:

- i. The Planning Proposal to amend the Inverell Local Environmental Plan 2012 to facilitate a large format retail development be forwarded to the NSW Department of Planning, Infrastructure and Environment requesting a Gateway Determination in accordance with sections 3.33 and 3.34 of the Environmental Planning and Assessment Act 1979;*
- ii. The Director Civil and Environmental Services be authorised to undertake the procedural steps associated with the progress of the Planning Proposal and obtaining the Gateway Determination, including any minor amendments, information requests and public exhibition; and*
- iii. A further report be submitted in relation to this matter following public exhibition.*

S375A Record of Voting on Planning Matters

In Favour: Crs Paul Harmon, Stewart Berryman and Di Baker

Against: Crs Mal Peters and Neil McCosker

CARRIED 3/2

5.2 ANNUAL HERITAGE ADVISORY SERVICE UPDATE S18.8.3

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

1. *That the Committee suspend standing orders to allow Heritage Advisor, Mr Mitch McKay the opportunity to address the Committee; and*
2. *That the Committee recommend to Council that the 2019-2020 annual reporting and funding acquittals to Heritage NSW, be noted.*

CARRIED

Mr Mitch McKay delivered the annual Heritage Advisory Services Update.

RESUMPTION OF STANDING ORDERS

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That standing orders be resumed.

CARRIED

5.3 RURAL SEALED ROAD REHABILITATION PLAN S28.21.1/13

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the Committee recommend to Council that:

- i) *the Rural Sealed Roads – Rehabilitation Plan 2020 – 2024 be adopted; and*
- ii) *the associated Local Roads and Regional Roads Rehabilitation Programs be endorsed, and utilised for funding allocations in the nominated Budget Votes.*

CARRIED

5.4 FUNDING ALLOCATION - GRAVEL RESHEETING, WOODSTOCK ROAD AND WATERLOO ROAD S28.10.SR243 & S16.7.31/08

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Neil McCosker

That the Committee recommend to Council that the 2020/2021 Special Roads Projects budget of \$341,055 be allocated for gravel resheeting to be completed on sections of Woodstock Road and Waterloo Road during the current financial year.

CARRIED

5.5 REGIONAL ROAD TRANSFER AND ROAD CLASSIFICATION REVIEW S28.24.1

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That the Committee recommend to Council that:

- (i) *The information in the report be received and noted;*
- (ii) *Council staff conduct a review of all Council controlled roads in accordance with the classification framework provided by TfNSW and a further report be presented to Council regarding any potential classification changes;*
- (iii) *A priority submission be made for the Bruxner Way and Bundarra Road to be transferred to State Government control, provided the conditions outlined in the report are met;*
- (iv) *Council provide in principal support for the transfer of all ISC controlled Regional Roads to State Government control, provided the conditions outlined in the report are met; and*
- (v) *Council notify NEJO, BROOC and neighbouring Councils of its position so that joint submissions can be investigated.*

CARRIED

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

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That the Committee recommend to Council that:

- 1. *The road running south off Palaroo Lane not be named "Lorikeet Lane";*
- 2. *The appropriate steps be taken to formally name the road running south off Palaroo Lane as "Olive Grove Lane"; and*
- 3. *Council authorise the General Manager to undertake the road naming in accordance with the NSW Road Regulation 2018.*

CARRIED

6 INFORMATION REPORTS

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman

Seconded: Cr Paul Harmon

That the information reports be received and noted.

CARRIED

6.1 WORKS UPDATE S28.21.1/13

6.2 ROADS MAINTENANCE COUNCIL CONTRACT - STATE ROAD NETWORK S25.9.12/13

6.3 NOTICE OF DETERMINATION - DA-59/2020 - CONSTRUCTION OF A NEW POLICE STATION BUILDING, ANCILLARY WORKS, ASSOCIATED USAGE AND SIGNAGE - 109 OTHO STREET, INVERELL DA-59/2020

7 GOVERNANCE REPORTS

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

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Stewart Berryman

That the information be received and noted.

CARRIED

The Meeting closed at 10.30am.

7 DESTINATION REPORTS

9.1 TERM OF ARIC MEMBERS

File Number: S4.11.21/02 / 20/30968

Author: Scott Norman, Director Corporate and Economic Services

SUMMARY:

Council has offered to extend the term of the current Audit Risk and Improvement Committee (ARIC) members until 31 August, 2021, in line with the extended term of Council. The Committee has agreed to extend their term and has requested Council to consider appointing a third independent member as a transitional arrangement to assist providing continuity when a new ARIC is appointed.

RECOMMENDATION:

That Council:

- 1. Thank the Audit Risk and Improvement Committee members for agreeing to extend their term until 31 August, 2021.*
- 2. Amend the Audit Risk and Improvement Committee Charter to allow for the temporary appointment of an additional Independent Member and refer the amended Charter to the Audit Risk and Improvement Committee for endorsement.*
- 3. Commence recruitment of an additional Independent Committee Member as a transitional measure aimed at providing the opportunity for some continuity of membership when the next Committee is appointed.*

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.

At the June 2020 Meeting Council resolved to offer to extend the term of the ARIC members until 31 August, 2021, to match the extended term of Council. At the 5 August, 2020 meeting of ARIC all Committee members confirmed they were willing to extend their term.

The ARIC also discussed succession planning and that it would be desirable that there was some consistency in the membership of successive Committees. This initial ARIC term has been one of establishment and capacity building and the Committee is well progressed in implementing the program of work identified early in its term. The Committee considered it important that at least one member was part of the next Committee so that the Committee would be better placed to build on these achievements. To this end, the Committee has requested Council consider appointing a third

Independent Member, as a transitional measure, with the intent the total membership reverts to three on the appointment of the new ARIC in the next term of Council.

The Membership of ARIC is stipulated by the Committee Charter which currently states:

The ARIC will consist of:

3.1 Members (voting)

One Councillor (excluding the Mayor)

Two (2) Independent external members (one member shall be appointed as chairperson of the ARIC by Council).

The Charter is based on the Model Charter provided by the Office of Local Government and can be changed by resolution of Council. While Council approves the Charter it is then sent to ARIC for endorsement. A draft amended Charter is attached for Council's consideration.

An ARIC is not yet compulsory. As part of recent Local Government reforms, legislation was introduced to mandate an Audit, Risk and Improvement Committee. The amending legislation was *Local Government Amendment (Governance and Planning) Act 2016 No 38*. It has received royal assent but the commencement date of the relevant section has been deferred. As it stands a Committee must be established within 6 months of the next ordinary election. This makes the expected deadline March 2022.

The current 2010 guidelines do not yet reflect the changes made to the *LGA 1993* in 2016, but nonetheless are the current guidelines. A discussion paper on revised guidelines was released by OLG in September 2019 and while it does not propose major changes to the intent of these guidelines, it is more prescriptive and expansive in their application. The discussion paper proposed changes to the eligibility for ARIC membership but recommended that current members be allowed serve out their terms. This means that while there is uncertainty around the operations of ARICs it would still be prudent and sensible to establish a mechanism that reduces the risk of the entire Committee being replaced at one time.

RISK ASSESSMENT:

The guidelines provide a framework for the operation of the ARIC which must have regard for the Risk Management Framework.

POLICY IMPLICATIONS:

The ARIC is in an establishment phase; even so its work will always include the refinement and improvement governance controls and procedures. Much of this involves reviewing and making recommendations regarding policy to both the Elected Council and the General Manager.

CHIEF FINANCIAL OFFICERS COMMENT:

The budget for the ARIC is approved when the Operational Plan is adopted. Sitting fees for independent ARIC members are currently \$500 per meeting, there are normally four meetings a year. The vast majority of the ARIC budget is spent on internal audits.

LEGAL IMPLICATIONS:

The Internal Audit Guidelines are issued under section 23A of the LGA1993.

S23A Departmental Chief Executive's guidelines

(1) For the purposes of this Act, the Departmental Chief Executive may from time to time prepare, adopt or vary guidelines relating to the exercise by a council of any of its functions.

(2) The Departmental Chief Executive may only prepare, adopt or vary guidelines relating to the exercise by a council of functions conferred or imposed on the council by or under any Act or law that is not administered by or the responsibility of the Department of Local Government if the

Departmental Chief Executive has first obtained the concurrence of the Minister administering or responsible for the administration of the other Act or law.

(3) A council must take any relevant guidelines issued under this section into consideration before exercising any of its functions.

(4) The guidelines for the time being in force are to be made available to councils on request and, on payment of such fee (if any) as the Departmental Chief Executive may determine, to any interested person.

The changes in Committee structure and purpose that have been legislated but not yet implemented.

The *Local Government Amendment (Governance and Planning) Act 2016 No 38* amends the *Local Government Act 1993*. The Act was assented to 30.8.2016 and commenced in part 26 November, 2016. The relevant section has not yet commenced.

Part 4A Internal audit

428A Audit, Risk and Improvement Committee

(1) A council must appoint an Audit, Risk and Improvement Committee.

(2) The Committee must keep under review the following aspects of the council's operations:

- (a) compliance,
- (b) risk management,
- (c) fraud control,
- (d) financial management,
- (e) governance,
- (f) implementation of the strategic plan, delivery program and strategies,
- (g) service reviews,
- (h) collection of performance measurement data by the council,
- (i) any other matters prescribed by the regulations.

(3) The Committee is also to provide information to the council for the purpose of improving the council's performance of its functions.

Timing of implementation is also impacted by *Local Government Act 1993*, Schedule 8 Savings, transitional and other provisions consequent on the enactment of other Acts.

123 Audit, Risk and Improvement Committees

A council is not required to establish an Audit, Risk and Improvement Committee in accordance with Part 4A of Chapter 13, as inserted by the amending Act, until 6 months after the next ordinary election of councillors following the commencement of that Part.

The next expected Ordinary Local Election is September 2021; therefore the expected deadline is March 2022.

ATTACHMENTS:

1. Draft Amended ARIC Charter additional independent member

MANAGEMENT POLICY:	Audit Risk and Improvement Committee Charter
Ref:	DRAFT Ver 6 August 2020

Contact Officer	Director Corporate and Economic Services
Approval Date	15 May 2012
Approval Authority	Council
Amended	15 May 2012, 16 April 2013, 24 June 2015, 28 October 2015 (Res 97/15), 20 December 2017 (Res 143/17), 27 November 2019
Date of Next Review	October 2021

1. Objective

The objective of the Audit Risk and Improvement Committee (ARIC) is to provide independent assurance and assistance to Inverell Shire Council on risk management, control, governance, and external accountability responsibilities.

2. Authority

- The Council authorises the ARIC, within the scope of its role and responsibilities, to:
- Obtain any information it needs from any employee or external party (subject to their legal obligations to protect information).
- Discuss any matters with the external auditor or other external parties (subject to confidentiality considerations).
- Request the attendance of any employee or councillor at ARIC meetings.
- Obtain external legal or other professional advice considered necessary to meet its responsibilities.

3. Composition and Tenure

The ARIC will consist of:

3.1 Members (voting)

- One Councillor (excluding the Mayor)
- A minimum of two (2) and maximum of three (3) Independent external members (one member shall be appointed as chairperson of the ARIC by Council).

3.2 Attendee (non-voting)

- General Manager (if the officer wishes to exercise that right)
- Director Corporate & Economic Services
- Manager Financial Services

3.3 Invitees (non-voting) for specific Agenda items

- Representatives of the External Auditor.
- Other staff members by invitation of the ARIC.

4. Role and Responsibilities

The ARIC has no executive powers, except those expressly provided by the Council.

In carrying out its responsibilities, the ARIC must at all times recognise that primary responsibility for management of Council rests with the Council and the General Manager as defined by the Local Government Act.

The responsibilities of the ARIC may be revised or expanded by the Council from time to time. The ARIC's responsibilities are:

4.1 Risk Management

- Review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of business and financial risks, including fraud.
- Review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings;
- Review the impact of the risk management framework on its control environment and insurance arrangements; and
- Review whether a sound and effective approach has been followed in establishing business continuity planning arrangements, including whether plans have been tested periodically.

4.2 Control Framework

- Review whether management has adequate internal controls in place, including over external parties such as contractors and advisors;
- Review whether management has in place relevant policies and procedures, and these are periodically reviewed and updated;
- Progressively review whether appropriate processes are in place to assess whether policies and procedures are complied with;
- Review whether appropriate policies and procedures are in place for the management and exercise of delegations; and
- Review whether management has taken steps to embed a culture which is committed to ethical and lawful behaviour.

4.3 External Accountability

- Satisfy itself the annual financial reports comply with applicable Australian Accounting Standards and supported by appropriate management sign-off on the statements and the adequacy of internal controls.

- Review the external audit opinion, including whether appropriate action has been taken in response to audit recommendations and adjustments.
- To consider contentious financial reporting matters in conjunction with council's management and external auditors.
- Review the processes in place designed to ensure financial information included in the annual report is consistent with the signed financial statements.
- Satisfy itself there are appropriate mechanisms in place to review and implement, where appropriate, relevant State Government reports and recommendations.
- Satisfy itself there is a performance management framework linked to organisational objectives and outcomes.

4.4 Legislative Compliance

- Determine whether management has appropriately considered legal and compliance risks as part of risk assessment and management arrangements.
- Review the effectiveness of the system for monitoring compliance with relevant laws, regulations and associated government policies.

4.5 Internal Audit

- Act as a forum for communication between the Council, General Manager, senior management, internal audit and external audit.
- Review the internal audit coverage and Internal Audit Plan, ensure the plan has considered the Risk Management Plan, and approve the plan.
- Consider the adequacy of internal audit resources to carry out its responsibilities, including completion of the approved Internal Audit Plan.
- Review all audit reports and consider significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of better practices.
- Monitor the implementation of internal audit recommendations by management.
- Periodically review the Internal Audit Charter to ensure appropriate organisational structures, authority, access and reporting arrangements are in place.
- Periodically review the performance of Internal Audit.

4.6 External Audit

- Act as a forum for communication between the Council, General Manager, senior management, internal audit and external audit.
- Provide input and feedback on the financial statement and performance audit coverage proposed by external audit, and provide feedback on the external audit services provided.
- Review all external plans and reports in respect of planned or completed external audits, and monitor the implementation of audit recommendations by management.
- Consider significant issues raised in relevant external audit reports and better practice guides, and ensure appropriate action is taken.

4.7 Responsibilities of Members

Members of the ARIC are expected to:

- Understand the relevant legislative and regulatory requirements appropriate to Inverell Shire Council.
- Contribute the time needed to study and understand the papers provided.
- Apply good analytical skills, objectivity and good judgment.
- Express opinions frankly, ask questions that go to the fundamental core of issues, and pursue independent lines of enquiry.

5. Reporting

At the first ARIC meeting after 30 June each year, Internal Audit will provide a performance report of:

- The performance of Internal Audit for the financial year as measured against agreed key performance indicators.
- The approved Internal Audit Plan of work for the previous financial year showing the current status of each audit.

The ARIC may, at any time, consider any other matter it deems of sufficient importance to do so. In addition, at any time an individual ARIC member may request a meeting with the Chair of the ARIC.

The ARIC will report regularly, and at least annually, to the governing body of council on the management of risk and internal controls.

6. Administrative arrangements

6.1 Meetings

The ARIC will meet at least four times per year, with one of these meetings to include review and endorsement of the annual audited financial reports and external audit opinion.

The need for any additional meetings will be decided by the Chair of the ARIC, though other ARIC members may make requests to the Chair for additional meetings.

A forward meeting plan, including meeting dates and agenda items, will be agreed by the ARIC each year. The forward meeting plan will cover all ARIC responsibilities as detailed in this ARIC Charter.

6.2 Attendance at Meetings and Quorums

A quorum will consist of a majority of ARIC members, including at least one independent member. Meetings can be held in person, by telephone or by video conference.

The Head of Internal Audit will be invited to attend each meeting unless requested not to do so by the Chair of the ARIC. The ARIC may also request the Chief Finance Officer or any other employees to participate for certain agenda items, as well as the external auditor.

The General Manager may attend each meeting but will permit the ARIC to meet separately with each of the Head of Internal Audit and the External Auditor in the absence of management on at least one occasion per year.

6.3 Secretariat

The ARIC has appointed the Head of Internal Audit to be responsible for ensuring that the ARIC has adequate secretariat support. The Secretariat will ensure the agenda for each meeting and supporting papers are circulated, at least one week before the meeting, and ensure minutes of the meetings are prepared and maintained. Minutes shall be approved by the Chair and circulated to each member within three weeks of the meeting being held.

6.4 Conflict of Interests

Councillors, council staff and members of council committees must comply with the applicable provisions of Council's code of conduct in carrying out the functions as council officials. It is the personal responsibility of council officials to comply with the standards in the code of conduct and regularly review their personal circumstances with this in mind.

ARIC members must declare any conflict of interests at the start of each meeting or before discussion of a relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted.

Where members or invitees at ARIC meetings are deemed to have a real or perceived conflict of interest, it may be appropriate they be excused from ARIC deliberations on the issue where the conflict of interest may exist. The final arbiter of such a decision is the Chair of the ARIC.

6.5 Induction

New members will receive relevant information and briefings on their appointment to assist them to meet their ARIC responsibilities.

6.6 Assessment Arrangements

The Chair of the ARIC will initiate a review of the performance of the ARIC at least once every two years. The review will be conducted on a self-assessment basis (unless otherwise determined by the Chair), with appropriate input from management and any other relevant stakeholders, as determined by the Chair.

6.7 Review of ARIC Charter

At least once every two years the ARIC will review this ARIC Charter.

The ARIC will approve any changes to this ARIC Charter.

Approved: ARIC Meeting

Date: 16 October 2019

7 Version History

Version 1 - Adopted 15 May, 2012

Version 2 – Adopted 16 April, 2013

Version 3 – Adopted 24 June, 2015

Version 4 – Adopted 28 October 2015 (Res 97/15)

Version 5 – Adopted 20 December 2017 (Res 143/17)

Version 6 – Adopted 27 November 2019 (Res)

9.2 INVERELL POLOCROSSE CLUB - 160 EDDY PARK LANE, INVERELL**File Number:** S5.2.0/13 / 20/32505**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

A new proposal has been received from the Club. A confidential report on this matter has been prepared for Council's 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*.

8 INFORMATION REPORTS

10.1 RENEWABLE ENERGY ZONE (REZ)

File Number: S7.14.4 / 20/31720

Author: Scott Norman, Director Corporate and Economic Services

SUMMARY:

Council has requested a report regarding purchasing power from the local wind farms.

COMMENTARY:

At the July 2020 meeting of Council, when considering an information report regarding the recently established New England Renewable Energy Zone, Council asked for a report detailing:

- a) *The surplus generation capacity of the local renewable energy industry;*
- b) *Total energy consumption of the Inverell Shire;*
- c) *Cost to install batteries to cater for that; and*
- d) *What are the distribution difficulties related to greater utilisation of renewable energy.*

This report attempts to assemble useful public available information to broadly address the questions raised. It touches lightly on a broad and expansive topic, one that has been at the centre of public debate for over a decade. It has been written by someone with an interest but no expertise in the area and a more detailed analysis is beyond the internal resources of Council. Should it be required external experts would have to be utilised.

It should be said from the outset that events have somewhat overtaken the line of thought that led to this request for information with the announcement of a 30 megawatt battery at the Sapphire Wind Farm. The press release is attached as **Appendix 1**. This means Sapphire Wind and Solar Farms will have the capacity to store surplus energy for sale to the grid when demand increases.

The other point to address early is the current electricity transmission system and market makes the idea of the reticulating cheap surplus electricity to local customers just not possible. As a starting point, the voltages supplied to the grid by the local wind farms is higher than the voltages used for the local reticulation of electricity. The marketing arrangements also do not support the concept of the collective Inverell Shire as a discreet customer.

What may be possible is Council collaborating with a third party to “buy local renewable power” to meet Council’s electricity requirements. Just to reinforce the concept, this is a single customer being ISC, as opposed to the collective group of customers from within the Inverell Shire. This concept has to be treated with some caution as it refers to what could be considered a somewhat contrived marketing ploy – the electricity is still delivered by the national grid and does not refer to a uniquely dedicated distribution system. Such an arrangement would be motivated by a wish to “buy local” or use renewable energy; it is not an arrangement to access cheap “surplus” power. The ACT government, City of Sydney and the Sydney Opera House have such agreements with the Sapphire Wind farm (**see appendices 2, 3 and 4**).

Listed below are ISC current contracts for the supply of electricity. These were procured using a purchasing arrangement established by Local Government Procurement (Energy Services - LGP319 contract). All 3 contracts commenced 1/1/20 and will end 31/12/22.

Contract	Supplier	19-20 KWH	19-20 \$
Small Sites	AGL	5,231,194	\$1,242 K
Larger Sites	Origin	3,892,570	\$ 861 K
Street Lighting-(unmetered)	ERM Power Retail	522,000	\$ 170 K

Total – roughly 9 gigawatts hours costing \$2.3M.	9,123,763	\$2,273 K
The above costs include network charges and is not purely consumption charges		

If Council wished to enter into a contract with local electricity producers, it would be necessary to wait until the current contracts expire. As mentioned, it is not possible to purchase electricity directly from these producers and a third party retailer would need to be engaged. Flow Power is the retailer the Sapphire Wind Farm has used in the past, further information can be found at flowpower.com.au

A very rough estimation of power consumption for house holds in Inverell shire can be calculated. There are approximately 7,900 households in the Inverell Shire at an average consumption of 16.4KWH per day which equals 47 gigawatts hours per year. There are approximately 1,600 businesses in the Shire but as there is no comparable “average” business consumption, not even a rough estimation can be made of their consumption.

For reference listed below are renewable energy producers located in or close to the Inverell Shire.

Copeton Dam

A hydro-electric power station generates up to 21 megawatts of electricity from the flow of the water leaving Copeton Dam with an average annual output of 54.3 gigawatt-hours. The station was completed in December 1996. The facility is managed by AGL Energy.

Pindari Dam

Completed in October 2001 a hydro-electric power station generates up to 5.5 megawatts of electricity from the flow of the water leaving Pindari Dam. The plant is fully automated and remote controlled. The plant's long-term average energy output has been estimated at 16.3 gigawatt-hours of green energy per annum.

White Rock Wind Farm

White Rock Wind Farm is located in the New England Tablelands approximately 20 km west of Glen Innes and 40 km east of Inverell. The project is being constructed in stages.

Stage One of the project consists of 70 turbines, producing 175 MW of renewable electricity and a 20 MW Solar Farm located adjacent to the northern end of the Wind Farm. Stage One of the project is now fully operational.

Stage Two of the project will consist of up to 48 additional turbines, producing up to 216 MW of electricity. Consent for Stage Two of White Rock Wind Farm was granted by the IPC on 13 December, 2019. Work is now underway on pre-construction activities, with the aim of starting construction late 2020/early 2021.

Sapphire Wind Farm

The 270MW wind farm comprises 75 turbines and has been operating since November 2018. 73 turbines are in the Inverell Shire with 2 turbines in the Glen Innes Severn Shire. It is currently the largest wind farm in NSW. The Sapphire Solar Farm has been approved and was the subject of the recent funding announcement. It is planned to be co-located with the wind farm and will cover 11 hectares. The site facilities will include battery storage, solar photovoltaic (PV) modules, electrical transformers and inverters and other ancillary equipment. Together they will create Australia's largest hybrid renewable energy project – connecting wind and solar generation, alongside battery storage to the National Electricity Market.

The Dumaresq Solar Farm

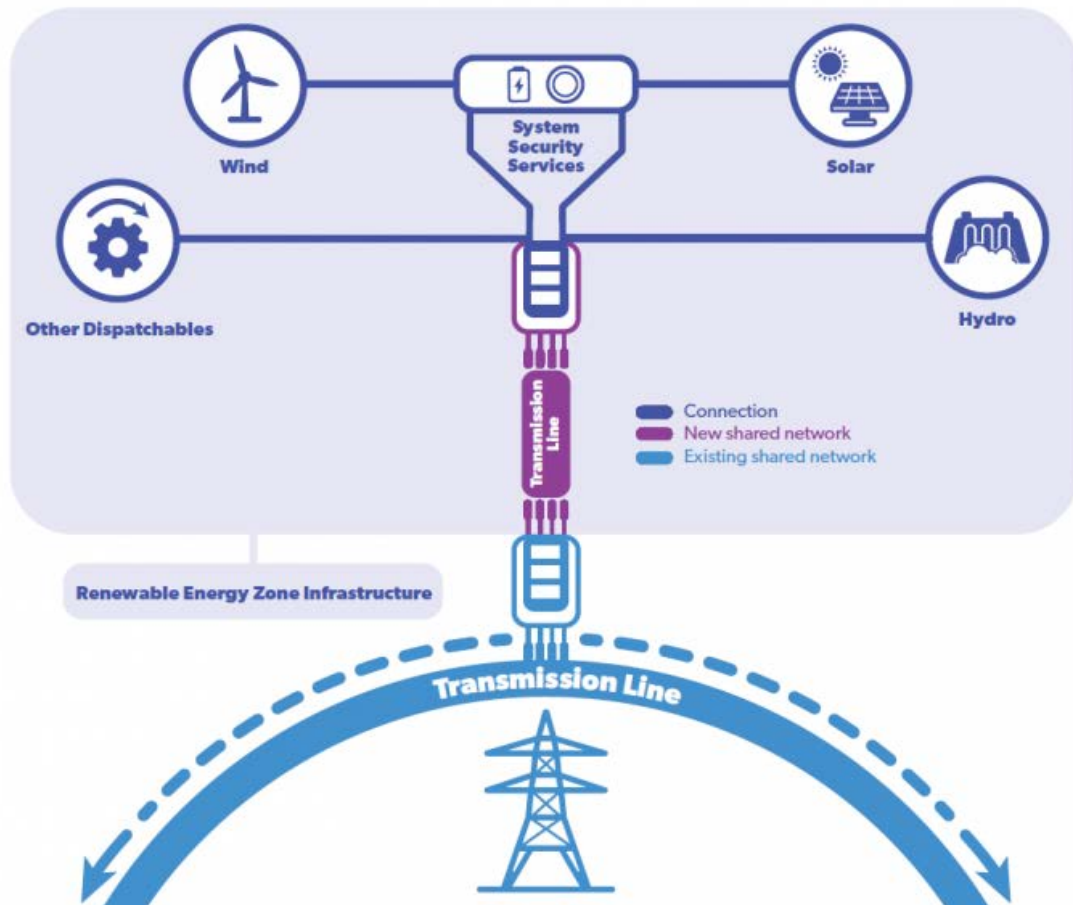
The proposed project is to be located between the towns of Ashford and Bonshaw. The project will cover an area of approximately 205 HA when completed, and whilst still in design phase is

targeting circa 190MW of generation capacity plus battery storage. Anticipated project construction cost is A\$250 million +. More details are available at <https://dumaresqsolarfarm.com/>

The New England Renewable Energy Zone (REZ)

A REZ involves the coordinated development of new grid infrastructure in energy rich areas, efficiently connecting multiple generators in the same location. REZs are the modern-day equivalent of a power station, combining generation, transmission, storage and system strength services to ensure a secure, affordable and reliable energy system.

What is a Renewable Energy Zone?



More detail can be found at renewable-energy-zones

The New England REZ encompasses the Local Government areas of Tenterfield, Inverell, Glen Innes Severn, Armidale, Uralla and Walcha. In this area, there are 10 renewable energy projects at various points in the planning process.

The State Government has announced it will spend \$80M on building infrastructure that is needed to support the recently established REZ in the New England Area. Planning is now underway for the construction of this infrastructure.

Department of Energy staff have agreed to brief Councillors on the specifics of the planning process and infrastructure spend proposed under New England REZ. This will take place later in 2020.

In relation to saving on electricity costs, Council has installed solar panels on all major buildings, are in the process of converting the last of the street lighting to LED and have changed light fittings in the library to LED. This has already produced substantial savings. There is potential to change

other building lighting to LED, this will be considered when there is enough data to establish the investment at the Library is providing the expected return. A TESLA solar battery has been installed at the Council Chambers however the principal reason was to protect IT equipment. It does assist maximising the benefits from the solar panels but would not be an economic proposition if that was the only benefit.

An initiative that has been explored but has not yet proved viable is the use of a Solar Power Purchase Agreement (PPA) to establish solar power for pumping water, particularly raw water from Copeton Dam.

A Solar Power Purchase Agreement (PPA) is an arrangement where a supplier takes on full ownership and maintenance of the solar system located on Council controlled land and Council purchases the electricity generated by the solar system at a rate that is often much cheaper than your current daytime energy rate. Council therefore avoids the capital investment and risks of ownership (both operational and financial). The challenge with pumping water is it is typically done off peak when electricity is at its cheapest and so far the cost of solar can not compete. There are also other considerations such as having to adapt the water network to pumping during the day instead of night and locating enough suitable land to place the solar panels on. An example of a solar PPA provider can be found at www.infiniteenergy.com.au

Another relevant topic is local electricity grids are sometimes referred to as micro grids. The term is used in reference to at least three district type of local grids; these can be used independently or in association with the established conventional grid. In broad terms the grid can be contained in a strata title building where it feeds multiple tenancies, it can be used to support electricity supply to a small group of isolated customers (see **appendix 5** for example at Broken Hill) and it has also been proposed as a method of selling/sharing roof top solar to your neighbours. None of these concepts are useful when considering possibilities to purchase “surplus” electricity from local suppliers.

Another interesting concept is “behind the meter” use for excess electricity generation capacity. This refers to energy intensive industries setting up next to the generator that at times has excess generation capacity, so as to directly access this electricity without connection to the grid. The most discussed examples are hydrogen production and large scale horticultural green houses. Both these activities require a significant reliable water supply.

Battery technology is the last associated topic to be introduced to the conversation, there is a lot of research and development happening around the world and significant improvements would have wide ranging implications to the supply and distribution of electricity. The attached article on lithium sulphur batteries is an example of emerging battery technologies.

In closing it is necessary to remember this report is a very light touch on a wide subject area. Hopefully it helps explain the current problems associated with taking advantage of surplus local electricity generation capacity; but while it has been written with the best of intentions it is in no way a complete or comprehensive examination of the subject.

ATTACHMENTS:

- 1. Press Release - Mega - Battery first Renewable Project funded under New England Zone Plan**
- 2. Press Release - Opera House buys Electricity from Sapphire Wind Farm**
- 3. Press Release - Sapphire Wind Farm turns on for ACT**
- 4. Press Release - City of Sydney goes 100 per cent renewable**
- 5. Press Release - New Lithium Sulphur Battery**

Mega-battery first renewable project funded under New England zone plan



Northern Tablelands MP Adam Marshall, right, and Minister for Energy Matt Kean at the Sapphire Wind Farm, where CWP Renewables will construct a new 30 megawatt battery storage.

THE first tangible benefit of the recently announced New England Renewable Energy Zone (REZ) has surged into the region, with Northern Tablelands MP Adam Marshall announcing the State Government will invest \$10 million in a new power storage facility between Glen Innes and Inverell.

Mr Marshall said the Sapphire Battery Farm, connected to the State's largest wind farm, would be capable of storing 30 megawatt hours of dispatchable energy, for release into the electricity grid when it's needed most.

"For the first time in our region's history we are on the cusp of becoming a net exporter of energy, but just as significant is the need to significantly increase our ability to store what we generate and release it when electricity demand is high," Mr Marshall said.

"This grant, awarded to CWP Renewables, will construct a large lithium-ion battery next to the 330kV Sapphire Wind Farm substation, to capture excess energy generated from the wind turbines.

"The battery will have the capacity to store enough energy to power every home in Tamworth and Armidale and will be released into the grid at periods of high demand, ensuring the lights stay on when people get home from work and there is increased pressure on the grid.

"The battery will also help reduce electrical losses. Its fast response means it will be able to provide frequency control services, which stabilise the grid and improve power quality.

"This big announcement also marks the first 50 construction jobs to be created as a result of the REZ, bringing crews to the region over the period of the build.

"I see this level of investment as proof the State Government is committed to establishing the 8,000 megawatt New England REZ and hopefully this action will embolden investors to reach into their own pockets and starting planning the region's next renewable project."

Mr Marshall said this investment by government was important, as in the next decade a number of the state's existing power stations would reach the end of their life.

"Without significant investment in new energy generation and energy storage, we run the risk of becoming reliant on other States for a power needs, which is less than ideal," Mr Marshall said.

"This is yet another step towards getting our region and our State ready for the time when the existing ageing power stations go offline."
CWP Renewables CEO Jason Willoughby said the grant would enable the company to take the next step in the energy transition planned for NSW.

Sydney Opera House inks hybrid renewable PPA

The world famous iconic building has marked the World Environment Day with a series of sustainability announcements, including contracts to source wind and solar power from major NSW projects.

JUNE 5, 2019 [MARIJA MAISCH](#)

Sydney Opera House marked the World Environment Day with significant sustainability progress.



The Sydney Opera House will be predominantly powered by a blend of wind and solar ensuring certainty of supply and pricing in the years ahead.

Based on a power purchase agreement (PPA) inked with commercial electricity retailer Flow Power, more than 85% of the Opera House's yearly energy consumption of 16 GWh (equivalent to 2,500 households) will be matched with renewable energy supply for the next seven years.

The Opera House is investing its annual \$2.4 million electricity spend in sourcing power from major New South Wales (NSW) wind and solar projects, including the Sapphire Wind Farm in Glenn Innes and the Bomen Solar Farm under construction in Wagga Wagga.

"The Opera House is Australia's first heritage-listed building to commit to this innovative energy retail model, joining a growing number of high-profile organisations leading the way towards a low carbon future through investment

in large-scale renewable projects,” said Ian Cashen, Sydney Opera House Executive Director of Building. “This deal brings us another step closer to our long-term renewable energy goals and will deliver significant savings in operational costs over its seven-year period.”

Saving on electricity bills is one of the key drivers for Australian businesses with annual energy use of more than 100 MWh per year to negotiate a renewable energy PPA. As shown by the March figures from Flow Power, its high-use energy customers have collectively saved \$14 million with PPAs since the start of 2018. Last month’s tally showed the figure updated to \$15.4 million of combined savings and 254 MW committed of Flow Power’s 440 MW renewable portfolio.

Bomen and Sapphire

The 120 MW Bomen Solar Farm is the first renewable energy asset in the portfolio of network owner Spark Infrastructure. The project was acquired from developer Renew Estate, which is partly owned by German developer Wirsol Energy. It is located close to the Wagga North substation where it will connect into TransGrid’s transmission network. The project includes a 40 MWh battery storage component.

Construction is carried out Melbourne-based Beon Energy Solutions, which is owned by Victoria Power Networks (in which Spark Infrastructure has an ownership interest of 49%). A total cost at completion is expected to amount to approximately \$188 million. Commercial operations are slated to commence in Q2 2020.

The project will feature bifacial PV panels supplied by Jinko Solar, inverters from SMA and trackers from Nextracker. It is expected to employ around 250 workers in the construction phase.

The Bomen Solar Farm has an inked PPA with commercial electricity retailer Flow Power. Under the deal announced in December, Flow Power contracted 69 MW of the farm’s output to power munchies producer Snack Brands and winemaker Australian Vintage, which previously became the first Australian wine producer to sign a large-scale hybrid renewable corporate PPA.

The second PPA for the Bomen Solar Farm, which was announced on the same day as the project acquisition, was inked with Westpac, as part of its commitment to a 100% renewables target. Westpac became the third major bank to sign up to the to the global initiative RE100 and made major steps towards the goal, with the PPA to purchase over a quarter of the output from the Bomen Solar Farm, under a 10-year contract, covering both the electricity and LGCs.

The 270 MW Sapphire Wind Farm is one of the wind projects contracted by the Australian Capital Territory (ACT) Government as part of its 100% renewable energy target. The ACT has supported 100 MW of the project,

which contributes around 12% of its target. It started exporting electricity to 48,000 ACT homes last May.

On top of that, the largest wind farm in New South Wales is helping Commonwealth Bank of Australia move towards 100% renewable power by 2030 under a 12-year PPA as of January this year.

Sapphire became part of ambitious plans for a 470 MW renewable energy hub when Australian developer CWP Renewables received planning approval last year. The massive hybrid is set to feature a 200 MW solar+storage project collocated with the wind farm.

Sapphire wind farm turns on for ACT's 100% renewables target



The ACT government has announced that the Sapphire wind farm in northern NSW has 28 turbines in place and operating, and now helping to supply the ACT as part of its 100 per cent renewable electricity target.

"Today is a fantastic milestone in the ACT's transition to 100% renewable electricity," the minister for climate change and sustainability Shane Rattenbury said in a statement.

"The ACT-supported part of Sapphire wind farm will power around 48,000 ACT homes – contributing about 12 per cent towards our renewable electricity target."

The Sapphire wind farm will reserve 100MW of its capacity as part of its contract to the ACT, although the whole project will total 270MW – and may be joined by a solar farm and battery storage in the future.

The facility is located 18kms west of Glen Innes in the northern Tablelands, and is one of a number of wind and solar projects in the heart of the New England electorate of former deputy prime minister and ex-Nationals leader Barnaby Joyce.

Owned by CWP Renewables, it will be the largest wind farm in the state once completed, overtaking the nearby White Rock wind farm.

Other facilities contributing to the ACT's 100 per cent renewables target include the completed three stages of the Hornsdale wind farm in Victoria, the Ararat and Coonooer Bridge wind farms in Victoria, and the Crookwell wind farm in NSW.

The latter two stages of the Hornsdale wind farm will not start contributing to the ACT target until the formal start of their contract in 2018 and 2019 respectively.

Rattenbury said the Sapphire wind farm will bring many local investment benefits to the local community.

Infrastructure Journal 14 July 2020

City of Sydney goes 100 per cent renewable



The City of Sydney is now 100 per cent powered by renewables, using electricity generated from wind and solar farms in regional NSW.

The deal, valued at over \$60 million, is the biggest green energy deal of its kind by a council in Australia. It is expected to save the city up to half a million dollars every year over the next decade.

All the City's operations – including street lights, pools, sports fields, depots, buildings and the historic Sydney Town Hall – will now be run on 100 per cent renewable electricity from locally-sourced clean energy.

The switch is projected to save the city up to half a million dollars a year over the next 10 years, and reduce CO2 emissions by around 20,000 tonnes a year – the equivalent to the power consumption of more than 6,000 households.

Mayor Clover Moore said the new agreement will generate jobs, support communities impacted by the COVID-19 pandemic and create new opportunities in drought-affected regional NSW.

"We are in the middle of a climate emergency. If we are to reduce emissions and grow the green power sector, all levels of government must urgently transition to renewable energy," Ms Moore said.

"Cities are responsible for 70 per cent of greenhouse gas emissions worldwide, so it is critical that we take effective and evidence-based climate actions.

"The City of Sydney became carbon neutral in 2007, and was the first government in Australia to be certified carbon neutral in 2011. This new deal will see us reach our 2030 target of reducing emissions by 70 per cent by 2024, six years early.

"This ground-breaking \$60 million renewable electricity deal will also save our ratepayers money and support regional jobs in wind and solar farms in Glen Innes, Wagga Wagga and the Shoalhaven."

Infrastructure Journal 14 July 2020

The innovative green electricity deal is a power purchase agreement with retailer Flow Power. CEO Matthew van der Linden said the City's commitment to achieving 100 per cent renewable energy would help accelerate Australia's transition to a net-zero carbon future.

"This is a landmark achievement for the City of Sydney. If organisations can follow in the City's footsteps, a net-zero carbon future is achievable," Mr van der Linden said.

"The City is directly matched to these renewable projects, a move that supports the integration of renewables into the system."

Around three-quarters of the power will be wind-generated, and the remaining quarter by solar.

The project will see the City source renewable energy from three different generators; the Bomen Solar Farm in Wagga Wagga, Sapphire Wind Farm near Inverell and the Shoalhaven solar farm in Nowra.

The Shoalhaven project is being developed by Flow Power in partnership with local community group Repower Shoalhaven, a not for profit volunteer community enterprise that develops community solar projects. On completion, the 3MW Shoalhaven solar farm will have around 10,000 panels and generate enough energy to power 1,500 homes.

On behalf of Repower Shoalhaven, member Bob Hayward said the power purchase agreement will directly support the regional community.

"Shoalhaven solar farm could not have become operational without the City's investment. By partnering with this project, we're creating local jobs and helping the renewables sector grow," Mr Hayward said.

"The City of Sydney decision to include a regional community-based scheme brings us a step closer to a sustainable decarbonised future while supporting regional investment and employment."

Owned by the Australian-listed company, Spark Infrastructure, the 120MW Bomen Solar Farm has more than 310,000 solar panels on 250 hectares of land. It is one of the first projects in Australia to use bi-facial panels that absorb sunlight on both sides, with tracking technology that shifts each panel throughout the day to capture the sun's energy.

Spark Infrastructure Chief Executive, Rick Francis, said this is an exciting milestone for the City of Sydney, and the regional communities playing an increasingly critical role in the State's energy supply.

"This project has not only delivered clean energy for Australia's largest city, but represents a significant investment in the Wagga Wagga community and Riverina region, anchoring the region's role as a future renewable energy hub for New South Wales," Mr Francis said.

The Sapphire Wind Farm near Inverell is the largest wind farm in NSW, with a 270MW capacity generated by 75 turbines that stand 200m high. Partly owned by CWP Renewables, CEO, Jason Willoughby, said the company was proud to support the City's renewables program.

"Wind is a natural energy choice providing a much needed alternative to fossil fuels. We hope this inspires other councils and organisations to follow the City of Sydney's lead," Mr Willoughby said.

"The Sapphire Wind Farm produces enough clean energy to power 115,000 homes and displaces 700,000 tonnes of carbon dioxide, while bringing economic benefits to the local NSW New England region and the ACT."

New lithium-sulfur battery could charge your phone for five days, researchers say

By Rob Picheta, [CNN Business](#)

Updated 1637 GMT (0037 HKT) January 6, 2020

<https://edition.cnn.com/2020/01/06/tech/lithium-sulfur-battery-scli-intl-scn/index.html>

London (CNN Business) Australian researchers claim they have developed a battery that can keep a smartphone charged for five days or power an electric car for 1,000 kilometers (over 600 miles).

If the technology comes to be used widely, it would represent a significant breakthrough in the hunt for greener, more efficient energy.

The team from Monash University in Melbourne says the lithium-sulfur battery it has created is the "world's most efficient," and can outperform traditional batteries by four times.

The researchers said they are "on the brink" of commercializing the innovation, and touted its benefits for the fight against climate change.

Most commercial batteries are lithium-ion, but lithium-sulfur alternatives have long been attractive because of their higher energy density and ability to power objects for longer.

However, lithium-sulfur batteries tend to have a far shorter lifespan. They are used in some aircraft and cars, but previous attempts to bring them to mass production and phase out lithium-ion batteries have failed.

According to battery experts The Faraday Institution, the widespread use of lithium-sulfur batteries faces "major hurdles" stemming from sulfur's "insulating nature," and degradation of the metallic lithium anode. The team in Australia, whose research was published in the journal [Science Advances](#), reconfigured the design of sulfur cathodes so that they are able to withstand higher stress loads without seeing a drop in overall performance. Their work "will revolutionise the Australian vehicle market and provide all Australians with a cleaner and more reliable energy market," lead researcher Professor Mainak Majumder said in a press release.

The group, whose work received funding from the Australian government, has patented the new battery and further testing is scheduled for later this year.

"This approach not only favours high performance metrics and long cycle life, but is also simple and extremely low-cost to manufacture, using water-based processes, and can lead to significant reductions in environmentally hazardous waste," Matthew Hill, who also worked on the team, said. However, there are some challenges and limitations associated with the technology.

10.2 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENT CERTIFICATES DURING JULY 2020
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File Number: S18.10.2/13 / 20/31944

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 July 2020.

DEVELOPMENT APPROVALS, REFUSALS AND VARIATIONS DURING JULY 2020

Development Approvals

<u>Development Application Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Development</u>	<u>\$ Amount</u>
DA-59/2020	NSW Police	109 Otho Street, INVERELL	Crown Development Application for the construction of a new Police Station building, ancillary works, associated usage and signage	9,500,000
DA-66/2020	Mr Mark Patrick Anthony Hargreaves, Mrs Susan Hope Cuthbertson, Mr Lachlan John Hall & Mrs Jacqueline Patricia Hall	14/47 Mulligan Street, INVERELL	New Dwelling	250,000
DA-70/2020	Lenmack Pty Ltd	170 Otho Street, INVERELL	Install signage and frame on awning roof	1,892
DA-71/2020	Ruralplan Consultants	13420 Guyra Road, TINGHA	Alterations and Additions to Existing Cellar Door Premises	350,000
DA-72/2020	Mr Joshua Alan Jardine	54 Kookaburra Lane, INVERELL	New Shed	18,000
DA-73/2020	John Green Pty Ltd	4 Max Place, INVERELL	New Dwelling	310,000

DA-74/2020	Miss Amanda Alexis Hall	92 Auburn Vale Road, INVERELL	Studio	19,200
DA-76/2020	Gilgai Public Hall and Recreation Reserves Trust	1 Hall Street, GILGAI	Addition to toilet block for accessible toilet	23,000
DA-77/2020	Mr Anthonee Evan Williams	74 Oswald Street, INVERELL	Construct New Shed and Skillions	12,000
DA-78/2020	Mr Danny John Everingham & Mrs Nicole Everingham	8075 Gwydir Highway, LITTLE PLAIN	Temporary Use - Inverell Mighty Men	Nil
DA-83/2020	Mr Thomas Barry Nelson	18-20 Andrew Street, INVERELL	New Shed	35,000
Monthly estimated value of Approvals: July 2020			11	10,519,092

Development Amendments

<u>Development Application Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Development</u>	<u>\$ Amount</u>
DA-119/2012/A	Ms Sharon Maree Dun	39 Warialda Road, INVERELL	Modification to DA-119/2012 - Change Hours of Operation	Nil
Monthly estimated value of Approvals: July 2020			1	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 July 2020.

INFORMATION:

<u>Development Application Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Development and Standard to be varied</u>	<u>Extent of Variation</u>
DA-67/2020	Mr Rex William Daley and Ms Vanessa Ann	496 Yetman Road, INVERELL	Subdivision - Inverell Local Environmental Plan 2012, Clause 4.1 Minimum Lot	9% (4 hectares to 3.641 hectares)

	Bloxsome		Size	
Monthly estimated value of Variations to Development Standards Approvals: August 2020				

CONSTRUCTION CERTIFICATES APPROVED AND AMENDED DURING JULY 2020**Construction Certificates approved by Council**

<u>Construction Certificate Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CC-31/2020	Mr Peter David Caskey & Mrs Sara Jane Caskey	3735 Bingara Road, DELUNGRA	Construct new dwelling	250,000
CC-49/2020	Church Communities Australia	4188 Gwydir Highway, ELSMORE	Additions to Existing Industry (Sign Manufacturing) Premises - Stage 1 Earthworks	Nil
CC-50/2020	Mr Mark Patrick Anthony Hargreaves, Mrs Susan Hope Cuthbertson, Mr Lachlan John Hall & Mrs Jacqueline Patricia Hall	14/47 Mulligan Street, INVERELL	New Dwelling	250,000
CC-52/2020	Mr Joshua Alan Jardine	54 Kookaburra Lane, INVERELL	New Shed	18,000
CC-53/2020	John Green Pty Ltd	4 Max Place, INVERELL	New Dwelling	310,000
CC-54/2020	Miss Amanda Alexis Hall	92 Auburn Vale Road, INVERELL	Studio	19,200
CC-56/2020	Gilgai Public Hall and Recreation Reserves Trust	1 Hall Street, GILGAI	Addition to toilet block for accessible toilet	23,000
CC-62/2020	Mr Thomas Barry Nelson	18-20 Andrew Street, INVERELL	New Shed	35,000
Monthly estimated value of Approvals: July 2020			8	905,200

Amended Construction Certificates approved by Council

Nil

Construction Certificates approved by Private Certifier

<u>Complying Development Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CC-58/2020	Austam Homes	30 Albion Flat Road, TINGHA	Construct New Dwelling	229,645
Monthly estimated value of Approvals: July 2020			1	229,645

Amended Construction Certificates approved by Private Certifier

Nil

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

<u>Complying Development Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CD-12/2020	Jbc Pty Ltd	35 Glen Innes Road, INVERELL	Move internal partition wall	14,190
Monthly estimated value of Approvals: July 2020			1	14,190

Amended Complying Development Certificates approved by Council

Nil

Complying Development Certificates approved by Private Certifier

Nil

Amended Complying Development Certificates approved by Private Certifier

Nil

<u>Type of Consent</u>	<u>Number</u>	<u>\$ Amount</u>
Construction Certificates – Council Approved	8	905,200
Construction Certificates – Private Certifier	1	229,645
Complying Development – Council Approved	1	14,190
Complying Development – Private Certifier	0	Nil
Totals	10	1,149,035

Nil

10.3 SEPTIC TANK APPROVALS FOR JULY 2020**File Number:** S29.19.1 / 20/31945**Author:** Elaine Kenny, Administration Officer**SUMMARY:**

The following details the Septic Tank approvals for July 2020.

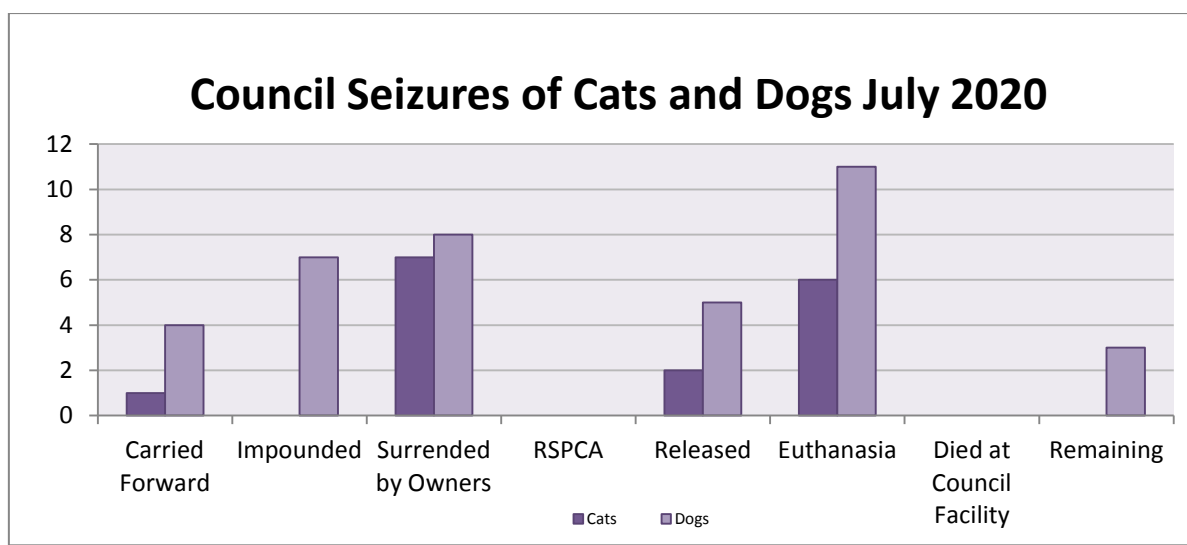
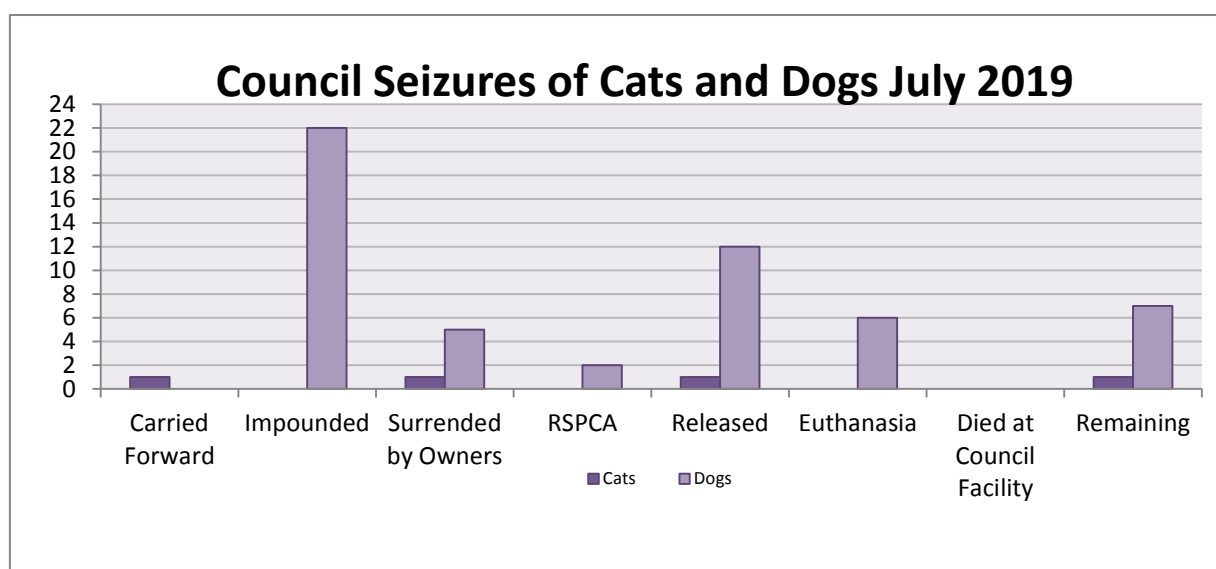
INFORMATION:

<u>Septic Application Number</u>	<u>Applicant</u>	<u>Property</u>
S-8/2020	Ms Courtney Jane Russell	4326 Bundarra Road, INVERELL

ATTACHMENTS:**Nil**

10.4 ORDINANCE ACTIVITIES REPORT FOR JULY 2020**File Number:** S18.10.1 / 20/31946**Author:** Elaine Kenny, Administration Officer**SUMMARY:**

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

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

10.5 STRATEGIC TASKS - 'SIGN OFF' - JULY 2020**File Number:** S4.13.2 / 20/31955**Author:** Kristy Paton, 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 August, 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 August 2020	Rates levied by Service of rates and charges notice (LGA s 562)	Achieved	
16 August 2020	Expected first instalment of 2020/2021 Financial Assistance Grants	Received	18/08/2020
31 August 2020	First quarterly rates instalments due (LGA s 562)	Now due 30/09/2020	

I confirm that the performance criteria as set out in the criteria for scheduled tasks have been met for the month of August 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**

10.6 STATUS OF TOWN WATER SUPPLIES**File Number:** S32.15.19 / 20/31973**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 seven (7) months of 2020.

COMMENTARY:

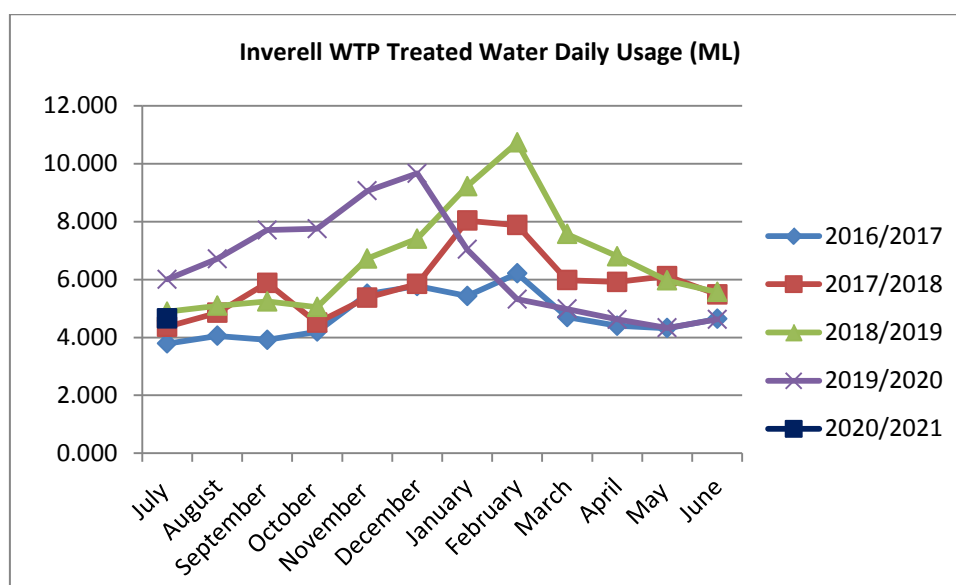
At the November 2019 Ordinary Meeting of Council, it was confirmed that a Status Report on Council water supplies will be provided to monthly Council meetings whilst the drought continues.

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 August 2020 combined with humid cooler weather has reduced demand; however Copeton Dam and Pindari Dam storage levels still remain low.

Status of Water Supplies – 17 August 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 15.3% and rising, 223,943 ML. Raw water pumped from dam outlet (no transmission losses).	Full allocation under WSP for 2020/2021. July 2020 average consumption 4.65 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 15.5% and rising, 48,288 ML. Raw water pumped from Severn River to Ashford WTP.	Full allocation under WSP for 2020/2021. Water NSW currently maintaining 15ML/day flow in Severn River. Releases from dam will be interrupted commencing 19 August 2020 for approximately two (2) weeks while Water NSW replace two (2) dam outlet valves. Not anticipated to impact available raw water for Ashford water supply. July 2020 consumption	Continue monitoring.

		low at 0.21 ML/day	
Yetman Treated Water.	Ground water – two (2) bores in alluvial aquifer on Macintyre River floodplain.	Full allocation under WSP for 2020/2021. July 2020 consumption 0.043 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.	Restrictions lifted. 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. Demand has reduced substantially due to minimal use.

Conclusion

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

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

10.7 PROCUREMENT PROCEDURES - PLANT HIRE

File Number: S13.5.3 / 20/32389

Author: Paul Henry, General Manager

SUMMARY:

At the July Meeting of Council, certain information in relation to the engagement of hired plant was requested.

COMMENTARY:

Council operates a significant plant fleet in order to deliver services to our community. However, from time to time, the extent of Council's works program or the need for specialist equipment necessitates that privately owned plant be hired for a defined period.

The privately owned plant can be engaged by one of the following methods:

- a) Formal Request for Quotation: and
- b) Expressions of Interest for 'Wet or Dry Hire' of Plant.

These processes are authorised in Council's Procurement and Disposal Policy. This document was reviewed by Council in June 2020. A copy is attached as Appendix 1.

A. Formal Request for Quotation (FRQ)

Purchase of goods and services for which estimated expenditure is between \$150K and \$250K, utilises this method.

The provision of plant to win gravel from Council gravel pits utilises this form of procurement.

A flow chart detailing the steps in this method is attached as Appendix 2.

B. Expressions of Interest (EOI)

Each year a public advertisement is placed in local media, inviting owners of plant and equipment interested in hiring these items to Council to register this interest. This interest is registered by completing the document attached as Appendix 3.

Owners of plant can specify if their interest is for 'Wet Hire' or 'Dry Hire'.

'Wet Hire' refers to plant that is supplied with an operator. 'Dry Hire' refers to plant that is supplied without an operator.

These responses are vetted to ensure the necessary insurances are current and the plant is in a safe and operable condition. The nominated hire rates are then ranked according Apparent Order of Value.

The nominated hire rates are maintained on a password protected spreadsheet by the Expenditure Controller. This price register can only be accessed by:

- Operations Coordinator
- Expenditure Controller, and
- Corporate Supply Coordinator

The steps in this procurement method are shown in Appendix 4.

The next round of advertising for EOI's will occur in September 2020.

C. Vetting

Council's Procurement and Disposal Policy, and the processes shown in the Appendices have been vetted by:

- The External Auditor
- A Contract Auditor engaged by the Internal Audit and Review Committee, and
- The Independent Commission Against Corruption (ICAC).

D. Councillor Peters' Questions

Q1 What position authorises procurement, tenders for plant hire?

Response: a) FRQ – Policy / Director Civil and Environmental Services
b) EOI – Operations Coordinator

Q2. What position is authorised to countersign this authorisation

Response: a) FRQ – Expenditure Controller
b) EOI – Expenditure Controller / Corporate Supply Coordinator

Q3. In regards to contractors, does the contractor have the right to change his price during the contract period?

Response: FRQ: No

EOI: a) Not during the duration of the project for which the plant has been engaged.
b) Yes, at any other time during the year.

Also 'new contractors to town' or an existing contractor with a new item of plant can lodge an expression of interest at any time during the year.

Q4. In the event that a contractor has the right to change his quote, what staff position deals with this matter, in particular in respect of plant hire quotes – please describe the process?

Response: Expenditure Controller and Corporate Supply Coordinator.

Process is set out in Appendix 4 utilising the document shown at Appendix 3.

Q5. Provide a percentage breakdown of plant hire over the last two (2) year period, that is, the Business Name and the name of the piece of equipment.

Contractor	% of work
Blue Gem Contractors	27.82%
Coats Hire	13.25%
Compass Equipment Hire	10.07%
Ezyquip	6.95%
Garth EL	0.44%
Gore Earthmoving	13.69%
Halls Earthmoving	0.31%
Inverell Aggregate	11.39%
Keough Earthmoving	0.43%
Rollers Australia	13.23%
Ward DR & SM	2.41%
TOTALS	100.00%

Q6. In terms of heavy machinery, what is the percentage breakdown in relation to hiring the machinery, for example, % hire of excavator, % hire of truck, % hire of bulldozer, % hire of float. In addition, provision of the associated business name to whom the equipment was hired from.

Refer Appendix 5.

RISK ASSESSMENT:

Nil.

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil.

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

1. Procurement & Disposals Authority Management Policy
2. Plant & Truck Hire - Standing Offer Flow Chart
3. Plant & Truck Hire Rates - Offer Form
4. Plant & Truck Hire - Flow Chart of Tasks for Expressions of Interest
5. Heavy Vehicle Percentage Breakdown

MANAGEMENT POLICY:	PROCUREMENT & DISPOSALS AUTHORITY
Ref:	

Contact Officer	Director Corporate & Economic
Approval Date	26 April 2006
Approval Authority	Council
Reviewed	20 October 2008, July 2009, November 2009, October 2010, September 2012, October 2014, February 2015, March 2016, June 2019, June 2020
Date of Next Review	September 2021



PROCUREMENT AND DISPOSALS

MANAGEMENT POLICY AND PROCEDURES

INCLUDING AUTHORISED OFFICERS, AREAS OF AUTHORITY AND MONETARY LIMITS

Document Control Page

VERSION 1	Prepared by Director Corporate Services	03 March 2006
	Adopted by Council 26 April 2006	Resolution 78/06
VERSION 2	Amended to incorporate the Heavy Vehicle National Law (NSW), SECT 214, Who is a party in the chain of responsibility.	18 March 2016
VERSION 3	Amended to included legislative changes to section 55 of the LGA and updates to reflect internal and external audit suggestions Adopted by Council 24 June 2020	31 May 2020 Res 57/2020

Legislation

The following New South Wales Legislation is applicable for procurement matters in Inverell Shire Council:

- Local Government Act 1993 (NSW)
- Local Government (General) Regulation 2005
- Work Health and Safety Act 2011
- Government Information (Public Access) Act 2009
- Fair Work Act 2009.
- Competition and Consumer Act 2010
- Public Records Act 1973

Council Policies

Council's procurement activities shall be carried out in compliance with the following other Council policies and procedures:

- Work Health & Safety Policy;
- Corporate Credit Card Policy;
- Contract Management Policy;
- Gift and Donations Received Policy;
- Fraud and Corruption Policy;
- Code of Conduct for Council Staff;
- Code of Conduct for Councillors;
- Statement of Business Ethics;
-

Additional External Information

The following information provides additional clarity to the Procurement function within Council:

- *Tendering Guidelines for NSW Local Government* issued by the NSW Department of Premier and Cabinet, Division of Local Government dated October 2009

1. **INTRODUCTION**

Council procures services and develops business relationships with the private sector in order to ensure that services to our community are delivered in an efficient and cost effective manner. The parties (Council and business) must adopt a standard of behaviour that encourages public confidence in the management of community affairs by Council.

1.1 **Guiding Principles**

The following eleven core guiding principles for procurement underpin all procurement activities undertaken by Council:



1.1.1 **Ethics**

Council acknowledges the importance of ethics in procurement and is committed to ensuring ethical practices are promoted and maintained across all Council procurement activities.

Councillors and Council Staff shall at all times conduct themselves in ways that are ethical and of the highest integrity by:

- treating potential and existing suppliers with equality and fairness;
- not seeking or receiving personal gain from the procurement process;
- maintaining confidentiality of Commercial in Confidence information such as contract prices and other sensitive information;
- exhibiting the highest standards of professionalism and probity;
- dealing with suppliers in an honest and impartial manner that does not allow conflicts of interest;
- provide all suppliers and tenderers with the same information and equal opportunity; and
- being able to account for all decisions and provide feedback on them.

1.1.2 **Conflicts of Interest**

Councillors and Council Staff shall at all times avoid situations in which private interests conflict with their Council duties.

Councillors and Council Staff involved in the procurement process, including preparing specifications, tender opening, and participating on a tender evaluation panels, must:

- **Avoid** conflicts, whether actual or potential, arising between their official duties and their private interests. Private interests include the financial and other interests of Councillors and Council Staff, plus their relatives and close associates;

- **Declare** that there is no conflict of interest. Where future conflicts, or relevant private interests arise Council Staff must make their manager, or the chairperson of the relevant tender evaluation panel aware and allow them to decide whether the officer should continue to be involved in the specific Procurement exercise; and
- **Observe** prevailing Council, and governmental, guidelines on how to prevent or deal with conflict of interest situations and not take advantage of any tender related information whether or not for personal gain.

1.1.3 Gifts and Hospitality

Councillors and Council Staff shall at all times ensure compliance with Council's Gifts & donations Received Policy.

1.1.4 Value for Money

Achieving best value for money shall be the basis of all procurement decisions within Council.

Council Staff are not required to accept the lowest tender. Instead, Council Staff are required to take into account issues of quality, cost, the accessibility of the service and other relevant factors when assessing best value for money as part of their procurement activities.

1.1.4 Competition

Council's procurement processes have been designed to ensure the principle of competition is adequately addressed.

Council Staff shall ensure that a competitive marketplace is promoted by using the correct process for the particular procurement activity and ensuring that prospective suppliers are given an equal opportunity to participate in the process.

1.1.6 Fairness to Suppliers

Council shall seek to promote positive supplier engagement.

Council Staff shall ensure that all prospective suppliers are treated fairly in an open and transparent manner and have access to the same information.

1.1.7 Accountability

Council will maintain consistency in the approach to procurement across the whole organisation through coherent frameworks, policies and procedures. All procurement decisions and actions shall be accountable, defensible and withstand scrutiny.

Council Staff shall be able to account for all procurement decisions made over the whole-of-life of all goods, services and works purchased with supporting, auditable, documentation.

1.1.8 Risk Management

Council has a responsibility for ensuring that risk is adequately addressed in its procurement framework and processes and is in line with Council's Risk Management framework (Policy, Strategy & Procedures).

Council's Risk Management Policy includes a detailed Risk Appetite Statement which is the foundation of the Risk Management framework.

The key determinants of risk appetite are intrinsically related to the achievement of the Council Plan. Council has low appetite for risks that foreseeably may:

- Compromise the safety and welfare of staff, volunteers, third party agents and members of the community
- Constitute a breach of regulation and legislation

Council Staff shall appropriately apply risk management at all stages of their procurement activities which will be properly planned and carried out in a manner that will protect and enhance the Council's capability to prevent, withstand and recover from interruption to the supply of goods, services and works. This risk management approach applies to Council's Occupational Health & Safety obligations.

1.1.9 Transparency

Council shall conduct its procurement processes in a fair, honest and open manner, with the highest levels of integrity and in the public interest.

Council Staff shall maintain key records of all procurement processes to be able to demonstrate transparency in their procurement decision making processes.

1.1.10 Sustainable Procurement

Council recognises it has an implicit role in furthering sustainability objectives, through its procurement of goods, services and works.

Council will maintain a procurement framework designed to support the achievement of value for money outcomes and facilitate opportunities to further organisational environmental, social and economic development objectives.

a) Social Procurement

Where applicable, Council Staff will be supported to use Council's procurement processes and purchasing power to generate positive social and economic outcomes for the community.

b) Environmental Sustainability

Where applicable, Council Staff shall consider the following environmental principles as part of their procurement activity:

- REFUSE – Choose not to purchase a product/service.
- REDUCE – Choose to purchase less of a given product/service.
- REUSE – Purchase a product of extended life or of multiple uses.
- RECYCLE – Purchase a product that contains amounts of non-virgin materials.
- REPLACE – Choose to replace or offset the resources purchased in a product.

c) Local Business Support

Council is committed to buying from local businesses where such purchases may be justified on Value for Money grounds, while remaining compliant with the Competition and Consumer Act 2010 and other fair trading legislation requirements.

1.1.11 Confidentiality

Commercial in-confidence information received by Council shall not be disclosed and shall be stored in a secure location.

Councillors and Council Staff shall not release or discuss the following:

- information disclosed by organisations in tenders, quotations or during tender negotiations;
- all information that is Commercial in Confidence; and
- pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.

Tenderers are however advised that a report on a tender process may be presented at an open meeting of Council, and some information arising from the tender will be publicly available.

1.2 AIMS AND OBJECTIVES

This policy and procedures manual has been developed to promote the abovementioned guiding principles of behaviour. The aims and objectives are:

1. To provide a cost effective supply management and asset disposal service, for all areas of Council's operation, meeting time, cost and quality objectives.
2. To ensure observance of the provisions of the Local Government Act and Regulations, together with any other relevant State and Federal laws.
3. To clarify the duties of staff responsible for Council expenditure.
4. To establish a system of documentation and accountability which satisfies Council's accounting, expenditure and asset control requirements.

1.3 WORK HEALTH AND SAFETY COMPLIANCE

All Suppliers of Goods and Services to Council and the staff of suppliers must comply with their work health and safety obligations under the Work Health & Safety Act (NSW), the Workplace Injury Management and Workers Compensation Act (NSW) and Regulations, workers compensation insurance premium requirements, relevant WH&S Industry Codes of Practice, and safety and dispute settlement procedures in applicable industrial awards and approved agreements.

1.4 WORKPLACE PRACTICES AND INDUSTRIAL RELATIONS

Principal Contractors, as defined in s127 of the Industrial Relations ACT (NSW), interested in providing Goods and Services to Council are accountable for compliance with their obligations regarding all employment related laws.

All Suppliers of Goods and Services to Council, their employees and their unions must comply with their workplace obligations, including the provisions of all applicable industrial awards and approved agreements.

Arrangements or practices designed to avoid workplace obligations under relevant laws, industrial awards and agreements are not permitted in any dealings with Council.

1.5 HEAVY VEHICLE NATIONAL LAW (NSW) Sect 214

Under the *Heavy Vehicle National Law (NSW) Sect 214*, who is a party in the chain of responsibility, states that a consignee of any goods in the vehicle, if Division 4 applies to the consignee, can be held responsible for breaches of the road transport laws.

Division 4, This Division applies only to a consignee of goods-

(a) who has consented to being, and is named or otherwise identified as, the intended consignee of goods in the transport documentation relating to the transport of the goods by road by a particular operator of a heavy vehicle; and

(b) who knows, or who ought reasonably to know, that the goods are to be transported by road.

In this scenario, the liability for an offence will also apply to the receiver of the goods (consignee), provided they knew or ought to have known, that they could have only been supplied those goods by breaching the road transport laws.

Staff must not ask, direct or require, directly or indirectly, the driver of a heavy vehicle, or a party in the chain of responsibility for a heavy vehicle, to do something the person knows, or ought reasonably to know, would breach the *Heavy Vehicle National Law (NSW)*.

Arrangements or practices designed to contravene obligations under the relevant laws, industrial awards and agreements are not permitted in any dealings with Council.

1.6 FRAUD PREVENTION CONTROLS

Internal controls with respect to fraud prevention in procurement include the following:

- Ensuring that processes require the involvement and responsibility of more than one person transaction end to end;
- Demonstrating transparency and accountability in the procurement process;
- Maintaining a clearly documented audit trail for procurement activities;
- Ensuring appropriate delegations are exercised and documented; and
- Implementing and maintaining systems for appropriate monitoring and performance measurement, including for facilitating audit.

Other controls are set out in Council's Fraud & Corruption Prevention Policy.

2. PROCUREMENT METHODS AND PROCESSES

2.1 VALUE FOR MONEY

Value for public money to achieve positive outcomes for the community is the core principle underpinning procurement services carried out for Inverell Shire Council. It specifically involves a comparative analysis of all relevant costs and benefits of each proposal throughout the whole procurement cycle.

The following matters may be considered in part or in whole in the procurement of Goods and Services by Council dependant on the nature of the procurement:

- Price Tendered
- Whole of life costs, including costs of disposal
- Innovation offered
- Delivery time offered
- Quality Offered
- Previous performance of Supplier
- Experience of Supplier and personnel proposed
- Capability of the Supplier, including technical, management, human resources, organisational and financial capability and capacity.
- Suppliers Work Health and Safety management practices and performance
- Suppliers environmental management practices and performance
- Suppliers community relations practices and performance
- Value adding components such as economic, social and environmental development initiatives, if appropriate and relevant to the procurement
- Conformity with Tender or Supply requirements
- Local Content

2.2 Procurement Payment Methods

Council's standard methods for purchasing goods, services and works shall be by some or all of the following methods:

1. Petty cash

Petty cash is used to meet the need for the procurement of small incidental goods and services and is limited to \$50 per individual transactions. Council has a separate procedure governing petty cash transactions.

2. Corporate Credit Card

Corporate credit cards provide council with a cost effective, efficient method of procuring goods and services. Persons authorised to use corporate credit cards must comply with guiding principles above, the procurement threshold stated below and with Council's Corporate Credit Card Policy and Procedures.

3. Creditor Claim Form

Creditor Claim Forms provide Council with a cost effective, efficient method of procuring goods and services. The use of credit claim forms assist in reducing costs, paperwork, time and provide a more convenient way of purchasing goods and services. Creditor Claim Forms can be used under the following circumstances:

- Following a direct purchase, providing the guiding principles have been applied, and in accordance with the Council's procurement thresholds;
- Payments to Employees;
- Reimbursements or refunds;
- Donations or Sponsorships;
- Memberships and Subscriptions;
- Utility Payments;
- Payments to Consultants;
- Payments to Government Agencies;
- Investments;
- Staff Training; and
- In conjunction with contract documents

4. Purchase Orders

A purchase order is Council's official document used to procure goods and services from an external supplier. All purchasing transactions other than those covered by petty cash, credit cards, creditor claim forms, and contract arrangements are dealt with by way of a purchase order.

2.3 Procurement Methods

Procurement of all goods, materials, equipment, works and services by Council will occur by one of the following methods and are subject to Council's guiding principles and procurement thresholds:

1. Stores Requisition

The Council Store holds inventory of commonly used items. Items available at Stores are to be acquired from the Stores in all instances, except in an emergency situation. Standardisation of goods can provide a reduction of inventories and inventory investment; allow increases in purchase leverage and overall supplier performance. Persons requisitioning from Stores do not need to obtain quotes prior to requisitioning goods from Stores.

2. Direct Purchase

Purchase of good and services for which the estimated expenditure less than \$10,000 may be achieved via direct purchase from a supplier. While competitive quotations are not generally required, it is a requirement that Council receives "Value for Money" and that the "Guiding Principles", as indicated above are complied with at all times. Single Projects with a cost exceeding \$10,000 are not to be broken into single components to avoid the requirement to obtain competitive quotations.

However, where the estimated expenditure for purchase of goods, services and works is less than \$10,000, Council staff may consider that the nature of the requirement and the characteristics of the market are such that obtaining quotations (oral or written) would lead to a better result for the Council, then quotations should be called.

3. Quotations

Purchase of good and services for which the estimated expenditure is between \$10,000 and \$150,000 may be achieved by requesting a written quotation from supplies.

Councils procurement thresholds, determine the number of quotations required. At least one quotation must be sourced from a local supplier if available.

4. Formal Request for Quotation (RFQ)

Purchase of good and services for which the estimated expenditure is between \$150,000 and \$250,000 may be achieved by a formal request for quotation by issuing suppliers a written description of the scope and standard of the work or product required.

These quotations will be returned by a set closing date and must be evaluated and a recommendation made in favour of the supplier offering the best value for money outcome.

5. Request for Tender (RFT)

Purchase of all goods and services for which the estimated expenditure exceeds \$250,000, (inclusive of GST) must be undertaken by public tender as per thresholds contained in the Local Government Act and Regulations. *(except where a Prescribed Entity Aggregator Contract can be used)*

However, where the estimated expenditure for purchase of goods, services and works is below this threshold Council staff may consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for the Council and public tenders may be called.

6. Preferred Supplier Arrangements

Council may appoint Preferred Suppliers through the formal tendering process or request for quotation process and a list of these suppliers can be found in Council's Preferred Supplier Register. Preferred supplier arrangements allow individual purchases to be made without calling for tenders or quotations.

It is expected that such arrangements will be in place for large volume, or frequently purchased products, thus eliminating the need to obtain quotations for purchases. The results for Council will be reduced prices on core, large volume products and services and more efficient use of internal resources.

If large volumes of particular goods or services are required, then Council Officers still have the right to call for open quotations as required, even if the required goods or services are currently under a preferred supplier arrangement.

7. Plant and Truck Wet and Dry Hire Expression of Interest (EOI)

On an annual basis, Council invites Expression of Interest for Plant & Truck Wet and Dry Hire. All EOI's are accepted and a contract signed. Contractors from this register are engaged through Council's Corporate Supply Co-ordinator using the hire of plant authorisation process without the requirement to call quotations.

2.4 Emergencies

Section 55(3)(k) of the LG Act permits the making of a contract in an emergency, without requirement of a tender. Emergency procurement is defined as any situation or event where there is a risk of injury if maintenance/repair is not carried out or where major works cannot be completed due to breakage in an essential piece of equipment. Emergency situations may also arise externally to the Council, such as natural disasters, where Council is requested to supply materials or support services to an emergency service or the community in response to or recovery from such events.

Examples of an emergency where this exemption applies are:

- A state of emergency declared under the State Emergency and Rescue Management Act 1989 (NSW);
- A declaration under s 44 of the Rural Fires Act 1997 and Council is requested by the incident controller to supply goods or services in support of bushfire operations;
- An incident that requires activation of Council's Crisis Management Plan and/or Business Continuity Plan;
- An incident declared by the General Manager where the safety or security of any person or property associated with Council is threatened;
- An external incident to which the General Manager (or nominee) has authorised the provision of urgent support; and
- An incident where the General Manager deems that a purchase is required in the best interest of public safety.

Normal tender/quotation procedures do not apply to emergency procurement however accountability standards and procurement principles continue to apply.

The following conditions apply to emergency procurement:

- Requests for assistance from external agencies must be made in writing and must be authorised by the incident controller or their delegate;
- Emergency procurement is only an option where Council must act immediately and take all reasonable and necessary action to mitigate any continuing risk associated with the situation. This may only be used in cases of genuine emergency and not to remedy poor planning;
- Authorisation for emergency procurement may only be given by the elected Council or the General Manager;
- If the value of the works exceeds \$250,000 (incl GST) the action must be reported at the next Council meeting;
- Emergency procurement applies only to the period of emergency. Remedial work following the emergency should follow normal procurement procedures; and
- Emergency procurement activities must be documented

2.5 Ministerial Exemption

The Minister for Local Government may exercise his or her discretionary power to approve an arrangement for the purposes of the Act, a contract that Council wishes to enter into without first exposing that contract to public tender. Ministerial exemptions will only be sought in exceptional circumstances.

2.6 Prescribed Entities

Section 55(3) of the Act details numerous exceptions for calling Tenders. One of which is where the goods and services are available through a contract established by a Prescribed Agency.

This means Council can access any Prescribed Organisation, irrespective of the value (that is, even if the purchase is valued at more than \$250,000).

The following organisations are considered a Prescribed Entity under the Act:

- Local Government Procurement
- Procurement Australia

Prescribed Entities set up panel contracts by undertaking a full tender and evaluation process. Suppliers are evaluated based on a range of criteria that assesses their capability and capacity as well as pricing. The Offer(s) that provide best value for money are awarded and form part of a Panel arrangement with the Prescribed Entity.

Suppliers provide the maximum prices they will charge, this price is not set and can be discounted or negotiated at the time of entering into a job specific contract with Council.

Suppliers also agree to standard Conditions of Contract which are used to form the contract with Council. Any procurement through a Prescribed Entity must comply with Councils guiding principles and procurement threshold which requires quotations for all purchases above \$10,000.

Council Officers should review and look at the suitability of the contracts under the Prescribed Entities prior to going out to tender or quote.

Council has no obligation to use a Prescribed Entity contract and is free to make use of other procurement methods where it is more appropriate to do so. Prescribed Entity contracts should not be used if better value for money may be achieved through other procurement methods.

The Finance Team must be notified when a new contract or supplier under the Prescribed Entities is going to be utilised by a Council Officer. There is an onboarding and participation process that needs to be completed to ensure the correct pricing schedules are being applied and is to be completed by the Procurement Team.

2.7 Disability employment organisation under the Public Works and Procurement Act 1912

Councils are exempt from Tendering if they wish to enter into a contract for goods and services supplied under the *Public Works and Procurement Act 1912*

Available organisations that fall within can be found at <https://buyability.org.au/search/>

Contracts need to be developed as there is no standing contract under this arrangement. Procurement under this arrangement must comply Councils guiding principles and procurement thresholds.

2.8 Procurement Thresholds

The following table summarises Council's thresholds:

Procurement Value (\$AU, Incl GST)	Procurement Process	Payment Method	Agreement Type	Documentation Requirements
< \$10,000	Direct Purchase (Ensuring compliance with Councils guiding Principles)	Petty Cash; Credit Card; Creditors Claim; Purchase Order	Supplier Conditions of Sale	Supplier Invoice
\$10,000 to \$25,000	Seek minimum of two (2) written quotations	Creditors Claim; Purchase Order	Supplier Conditions of Sale; or Purchase Order	Record of formal quotations
\$25,000 to \$150,000	Seek minimum of three (3) written quotations	Purchase Order; Creditors Claim in conjunction with Contract Documents	Purchase order, or Contract Documents	
\$150,000 to \$250,000	Seek minimum of three (3) written quotations via formal Request for quotation (RFQ)			
> \$250,000	Tender Process or LGP Request for quotation		Contract Documents	General Manager approval to call tender Formal RFT documentation Evaluation Report of RFT

When determining the procurement thresholds, the following factors apply:

- Financial values are for the total estimated cost for the procurement.
- Requirements cannot be split to circumvent the above thresholds.
- Council Officers must follow the requirements set out in the table above.
- Council Officers must apply the above mentioned guiding principles at all times
- Should Council consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for Council, in consultation with senior management public tenders may be called for purchase of goods, services and works for which the estimated expenditure is below tender thresholds stated above

Council Staff may undertake purchasing arrangements under the tendering limits outside this procedure at the discretion of the General Manager or Directors, if the following special circumstances apply:

- Only a limited number of Suppliers could perform or supply the goods, service or works due to the level of specialist expertise required;
- The works, goods or service are an extension of previously approved goods, service or works and the appropriate variation has been processed;

- The works, goods or service are required as part of a grant, funding agreement, lease or similar arrangement specifically stating how the goods, service or works are to be provided or undertaken;
- Where no quotes or tenders were submitted or no quotes or tenders were submitted that conform to the essential requirements of the specification document – in this instance direct contact with the supplier of choice may be appropriate;
- Where there is a clearly defined and significant social or environmental benefit; or
- Where the acquisition is of a cultural or artistic nature i.e. a live show or art piece.

All exemptions granted under this section must be documented, approved by the General Manager and included with the respective invoice / purchase order. A listing of all purchases made under special circumstances will be provided to the auditor each year during the interim audit process.

The following types of expenditure (under tendering limits) can also be purchased outside of the purchasing requirements of this policy.

- Utilities – Water, Electricity, Gas, Telephone
- Australia Post
- Medical accounts
- Legal fees
- Memberships and subscriptions
- Building Regulation Lodgement fees
- Purchases where Council is acting in the role of Auspice to other organisations
- Contributions to community groups where goods or services are provided in return

2.9 FINANCIAL DELEGATIONS FOR PROCUREMENT

All purchases require authorisation by the General Manager, Directors, Managers or authorised Responsible Officers in accordance with the delegation limits set out in the Delegations Register as approved by the General Manager.

The following payments are exempt from the above financial delegations requirements and payments may be approved by the General Manager, a Director or the Manager Financial Services:

- Superannuation;
- Taxation;
- Loan repayments in accordance with loan repayment schedules;
- Investments
- Payments to other Government Entities ;and
- Purchases made through a Prescribed Entities.

Appendix 1 provides a quick reference guide to purchasing

3 PROCEDURES - REQUISITIONS DUTIES AND RESPONSIBILITIES OF REQUISITIONING OFFICERS AND PROCUREMENT STAFF

All Departments shall use the services of the Finance Officer (Expenditure Controller), the Corporate Supply Co-ordinator or the Workshop Supervisor in the procurement of goods and/or services i.e. obtaining of quotes and placing of order. Staff shall not request the requisition of goods or services where insufficient funds are available in the budget vote for the goods and services proposed to be requisitioned.

The Finance Officer (Expenditure Controller)/Corporate Supply Coordinator/Workshop Supervisor shall:

- a) Ensure that an official Council order has been completed and authorised by an employee with delegated authority to sign orders prior to entering into any commitment to purchase goods and/or services.
- b) Ensure that any goods and/or services to be requisitioned are to be used on works which have been authorised by Council, and that funds are available for such expenditure.
- c) Ensure that the "budget vote" for which a particular good/service is required, has not been over-expended.

Note: As indicated above, if additional expenditure is to be incurred against an over-expended budget vote, an additional budget allocation must be obtained before any requisition is completed.

Under no circumstances are goods and/or services to be expended against another vote. All goods/services must be charged to the job they are required for.

- d) Ensure that the Budget Ledger Account number to which the goods and/or services are to be expended is correct.
- e) Ensure goods or services being ordered are not a duplication of similar material held by or a service already being rendered to Council.
- f) Ensure that accurate prices are quoted on all requisitions. If a price is not available, then an estimate of cost must be provided, noting the principle of "Value for Money".
- g) Ensure that the goods and/or services are received/provided in good order and condition.

3.1 OFFICIAL ORDERS

An official order must be authorised prior to any commitment to purchase goods and/or services being entered into.

Positions to which delegated authority applies for the signing of orders for the procurement of goods and services are:

General Manager;
Director Corporate & Economic Services;
Corporate Supply Co-ordinator;
Manager Financial Services;
Workshop Supervisor;
Finance Officers (Expenditure Controller, Creditors Clerk)

The use of delegated authority is subject to the issue of a personal delegation by the General Manager.

Confirmation Orders will not be permitted.

Orders must be dated on the same day or prior to any commitment being entered into.

Orders resulting from the submission of a formal requisition shall be dated on the day or as soon as practicable after receipt of the said requisition, thus ensuring the order sequence is maintained in a chronological order.

3.2 PRICING

The price being charged is reasonable and should have some price restraint, either by means of competitive quotations, or governed by a list price.

Where prices are not available, an estimate must be provided by the Requisitioning Officer.

3.3 DISTRIBUTION

Copies of orders are distributed in accordance with the following:

- Original White copy, to the supplier
- Duplicate Green copy and requisition attached (where practical) to the Requisitioning Officer.

3.4 DELIVERY INSTRUCTIONS

Unless specified to the contrary, all orders will be marked for delivery to the Inverell Works Centre, Burtenshaw Road.

As a consignee,

- (a) Council staff must not ask, direct or require, directly or indirectly, the driver of a heavy vehicle, or a party in the chain of responsibility for a heavy vehicle, to do something the person knows, or ought reasonably to know, would breach the Heavy Vehicle National Law (NSW),
- (b) that no arrangements or practices that are designed to contravene Heavy Vehicle National Laws are permitted in any dealings with Council, and
- (c) that Council ensure that contractual arrangements and documentation for the consignment and delivery of goods enable speed limit compliance

3.5 CANCELLATIONS

In the event of the necessity to cancel an order, it is the responsibility of the Requisitioning Officer to advise the Finance Officer (Expenditure Controller) or Corporate Supply Co-ordinator who in turn will advise the Supplier.

If an order is cancelled, the green copy of the order shall be returned and secured in the cancelled order file and marked "CANCELLED".

All cancelled orders (green copy) shall be filed in numerical order.

3.6 RECEIPT OF GOODS AND/OR SERVICES

Restriction:

Under no circumstances may the person signing the order to act as the Receiving Officer for the supply of any goods or services.

Completed Order:

When an order has been fully supplied, the Requisitioning Officer shall record the date of receipt in the "Date Received" column of the green copy and certify that the goods and/or services were received/provided in good order and condition.

This order copy must then be forwarded to the Creditors Clerk.

Completed Order (Stores)

When an order has been fully supplied, the Corporate Supply Co-ordinator or Stores Officer shall complete the "Stores Received Details" of the green order copy and certify that the goods were received in good order and condition.

This order copy must then be forwarded to the Creditors Clerk.

3.7 PART ORDERS

When an order has not been fully supplied, the Stores Officer or Requisitioning Officer must photocopy the green copy indicating full details of goods and/or services received and marked "Part Order". The photocopy must then be forwarded to the Creditors Clerk. The officer must then ensure that the green purchase order copy is signed off when the order has been completed.

When a 'purchase order' is completed the "Goods Received by" or the "Date Received" column is to be completed, order marked "Order Completed" and 'purchase order' (green copy) is to be certified that the goods and/or services were received/provided in good order and condition. This purchase order copy must then be forwarded to the Creditors Clerk.

3.8 FREIGHT CHARGES

With the completion of the "Receipt of Goods and/or Services" process, the Stores Officer or the Requisitioning Officer must establish the existence, or otherwise, of any freight costs associated with the supply of such goods and services.

If no freight costs are involved, no further action is necessary.

If freight charges are included, the Receiving Officer must ensure that the correct job cost number is recorded.

All documentation should be attached to the green order copy and promptly forwarded to the Creditors Clerk.

4 MATERIALS FOR MAJOR PROJECTS

In the case of major materials required for projects, for which designs have been prepared, the workflow will be:

- i) Plans approved by the Director Civil & Environmental Services;
- ii) Schedule of quantities, specification and estimate approved and forwarded to Finance Officer (Expenditure Controller);
- iii) Manager Civil Engineering to advise Finance Officer (Expenditure Controller) of supply requirements including time constraints;
- iv) Finance Officer (Expenditure Controller) arranges supply of external goods and/or services;

5 TENDERS

- a) Tender administration shall be carried out in accordance with the *Local Government (General) Regulation 2005*, the *Local Government Act 1993* and Council Policy;

Note: All tenders must include a written selection criteria.

- b) The Finance Officer (Expenditure Controller) shall call tenders, based on specifications to the requirements of the Responsible Officer, and administer the tenders to the point of providing the Responsible Officer with a schedule of tenders suitable for presentation to Council. The Finance Officer (Expenditure Controller) may make recommendations and present to Council;
- c) The responsible officer shall provide the Finance Officer (Expenditure Controller) with a press release to be issued at the time of calling tenders;
- d) Newspaper tender advertisements shall be placed at least once in an edition of the relevant newspaper or as required by the *Local Government (General) Regulation 2005*.
- e) Formal tender documents, shall be enclosed in sealed envelopes, endorsed as required in the advertisement to enable identification of the tender, and the date and time of closure of the tender period. Tenders not so endorsed, and opened during the tender period may be rejected if the responsible officer considers that confidentiality has been breached contrary to Council's interests.
- f) On receipt, tenders be placed in a secure tender box. The tenderer may witness this action if the tender is delivered during business hours.
- g) Upon the expiration of the tender period, the Finance Officer (Expenditure Controller) shall immediately conduct a search for available tenders, ensure these are placed in the tender box and conduct a public opening of tenders.
- h) At a public opening of tenders, the Finance Officer (Expenditure Controller) (Tenders Officer) shall:
- i) Arrange a suitable place, and for interested members of the public to be directed to such place.
 - ii) Announce the description of the tenders to be opened, welcome members of the public, and announce the relevant provisions of the *Local Government (General) Regulation 2005* and public opening of tenders.
 - iii) Open, endorse, register and summarise tenders in conjunction with at least one of the following:
 - o Finance Officer (Expenditure Controller) / Tenders Officer
 - o Appropriate Manager
 - o Other authorised staff member

(subject to all persons having Council's authority to open tenders in accordance with the *Local Government (General) Regulation 2005*.
 - iv) Make public information available in accordance with the *Local Government (General) Regulation 2005*.
- i) The relevant Senior Officer shall report the tenders to Council.
- j) Process selection fully documented including why tender was granted.

- k) Upon being advised by the relevant Senior Officer of Council's decision, the Finance Officer (Expenditure Controller) shall notify tenderers in accordance with the *Local Government (General) Regulation 2005* and supply information to the public in accordance with the *Local Government (General) Regulation 2005*.

6 ASSET MANAGEMENT

All assets purchased with a value of over \$2,000 are to be recorded in Council's Asset Management System, with the exception of Plant and Equipment where the value of \$750 applies. Small Plant and Equipment such as Chainsaws, Mowers, and other power equipment will be recorded in Council's Small Plant Management System and will be suitably identified.

7 INSURANCE

Council's Rick Coordinator will be immediately advised of assets purchased for insurance purposes.

8 ON-LINE ORDERING

A number of Companies require that orders are completed electronically on their on-line ordering systems. In these instances it is still a requirement that Council's Procurement and Official Orders Procedures are followed.

9. DISPOSALS

The disposal of Council assets, excluding land, buildings and major infrastructure are governed by this procedure. The sale of land, buildings and major infrastructure is a function not delegated by Council.

It is a Council requirement that it receives the Best Value for any Asset identified for disposal. Best Value will be measured in terms of the achievement of a price that represents fair market value or a higher price, and also taking into account any continuing benefit to the community.

All Council assets which are identified for disposal, that is assets of no further use to Council or assets that are no longer viable to maintain, are to be disposed of in accordance with the following provisions of the disposal policy:

9.1 MAJOR ASSETS (Excluding Motor Vehicles)

In instances where a major moveable asset is surplus to Council requirements or no longer suitable for Council purposes the following procedure is to be utilised:

1. Public quotations are to be called for the assets disposal. The public quotations are to be called for a minimum period of 21 days and quotations are to be placed in Council's Tender Box. The quotations are to be opened by two staff members once quotations close. A staff member who has submitted a quotation must not be involved in the opening of quotations. All quotations are to be registered into Council's Electronic Document Management System. The highest quotation will be accepted, but only where it represents a fair market price. Transfer of ownership of the asset will not occur until payment has been made.
2. Should a fair market price not be offered, or no quotations be received, the asset may be sold by private treaty if Council receives a written offer equivalent to a fair market price.
3. Should the above procedures fail to produce a fair market price, the asset is to be sold at Auction.

A separate Council Policy applies in respect of Council's Motor Vehicle Fleet.

9.2 MINOR ASSETS

In instances where a minor asset is surplus to Council requirements or no longer suitable for Council purposes, public quotations are to be called for the assets disposal. Generally, minor assets will be held and stored at the Works Depot until a sufficient quantity is held to justify the advertising costs.

The public quotations are to be called for a minimum period of 14 days and quotations are to be placed in Council's Tender Box. The quotations are to be opened by two staff members once quotations close. A staff member who has submitted a quotation must not be involved in the opening or acceptance of quotations. The principle of Best Value is to be applied in determining the successful quotation.

Any minor asset advertised but not ultimately sold following the calling of public quotations, may be sold by private treaty on receipt of a written and signed offer, subject to the approval of the General Manager.

9.3 ASSETS OF BENEFIT TO NOT-FOR-PROFIT COMMUNITY BASED ORGANISATIONS

In instances where an asset which is surplus to Council requirements or no longer suitable for Council purposes can be utilised by a not-for-profit community based organisation for the benefit of the community, the asset may be donated to the community based organisation on the authorisation of the General Manager where the fair market value of the asset is under \$2,000. Where the asset has a fair market value in excess of \$2,000 a report must be submitted to Council's Finance Committee for approval.

Alternatively the asset may be sold to the community based organisation at Fair Market Value.

9.4 WARRANTY

It is to be made clear when advertising assets for disposal that any asset disposed of by Council is sold on an "as is, where is basis". No warranty expressed or implied is to be given.

Appendix 1 - Quick Purchasing Reference Guide

The following checklist provides a summary of the requirements contained in Councils Procurement and Disposal Authority Policy. For additional assistance please contact the Finance Department.

Purchases less than \$10,000

- Guided by Councils Guiding Principles (below)
-

Purchases \$10,000 to \$25,000

- At least 2 written quotes must be sought, documented and **attached** to Order/Invoice.
 - General Manager, Assistant General Manager, Manager or authorised officer to select the quotation most advantageous to Council
-

Purchases \$25,000 to \$150,000

- At least 3 written quotes must be sought, documented and **attached** to Order/Invoice.
 - General Manager, Assistant General Manager, Manager or authorised officer to select the quotation most advantageous to Council
-

Purchases \$150,000 to \$250,000

- At least 3 written quotes must be sought via formal request for quotation (RFQ), documented and **attached** to Order/Invoice.
 - General Manager, Assistant General Manager, Manager or authorised officer to select the quotation most advantageous to Council
-

Purchases in accordance with Approved Supplier Arrangement

- E.g. Plant & Truck Wet and/or Dry Hire,
 - No quotations required
-

Purchases through a Prescribed Entity

- Standard Procurement Thresholds apply. E.g. No of quotations required
 - No requirement to call tenders for estimated expenditure exceeding \$250,000
-

Purchases greater than \$250,000 inc. GST

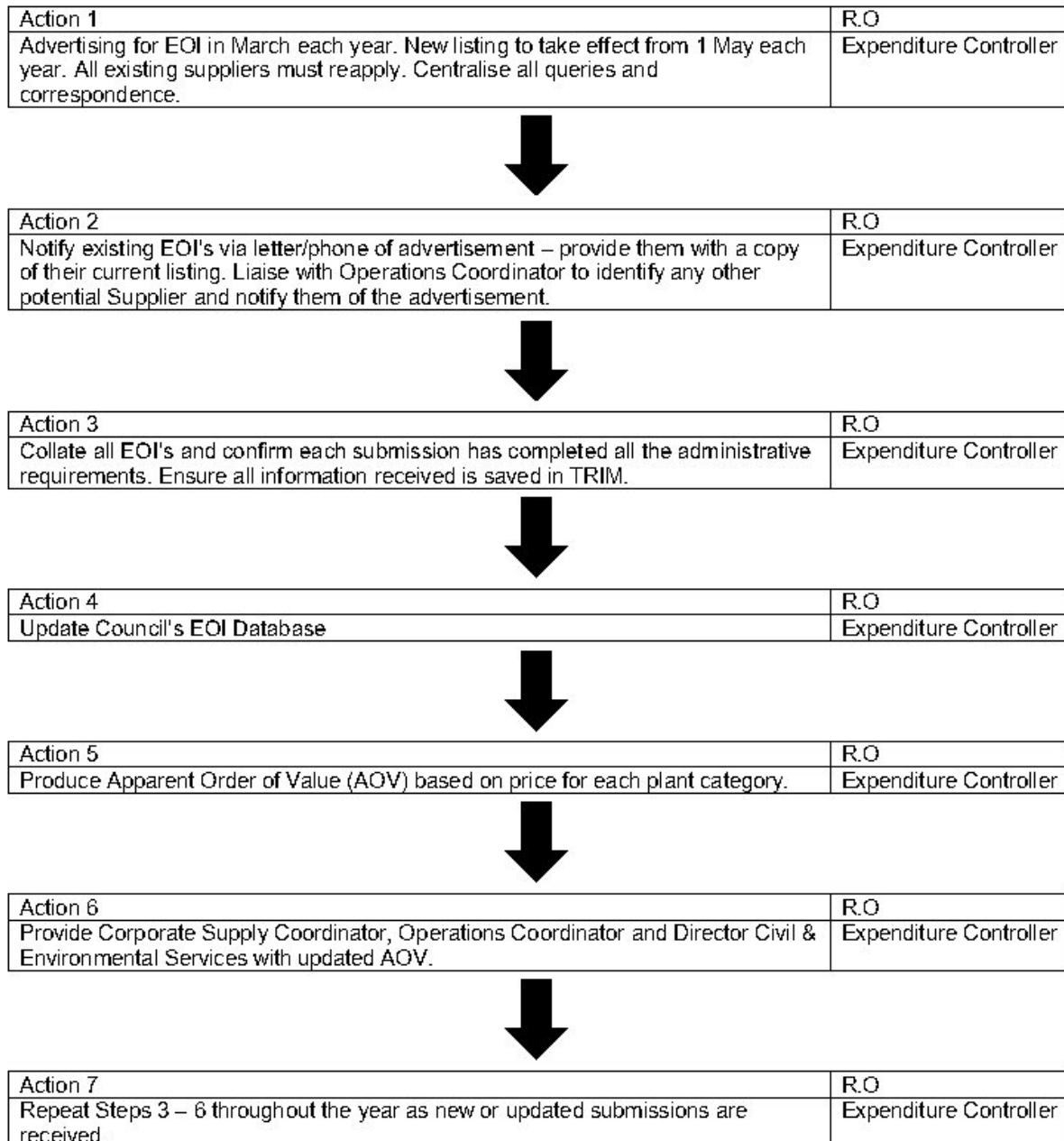
- Seek approval from General Manager to Call Tenders
 - Call open tenders via formal request for tender (RFT)
 - All tenders for goods and services must be presented to Council for approval.
-

Guiding Principles: Ethics, Conflict of Interest, Gifts & Hospitality, Value for money, Competition, Fairness to Suppliers, Accountability, Transparency, Risk Management, Sustainable Procurement, Confidentiality.

Related Legislation or Guidelines: Local Government Act 1993; Local Government (General) Regulation 2005, Government Information (Public Access) Act 2009 (GIPA), Tendering Guidelines for NSW Local Councils, Inverell Shire Council Procurement and Disposal Policy

Standing Offer Flow Chart – Plant & Truck Hire**Key:**

R.O = Responsible Officer
EOI = Expression of Interest





PLANT HIRE RATES & INSURANCE DETAILS

OFFERS FOR THE HIRE OF PLANT

Machine Type									
Year of Manufacture									
Make									
Model									
VIN/CHASS No.									
Registration No									
Registration Expiry Date	/ /								
Makers rated capacity (GVM) Motor Trucks									
Inside Dimensions of Body	<table> <tr> <td>Width</td> <td>mm</td> <td>Length</td> <td>mm</td> </tr> <tr> <td>Depth</td> <td>mm</td> <td></td> <td></td> </tr> </table>	Width	mm	Length	mm	Depth	mm		
Width	mm	Length	mm						
Depth	mm								
Cubic Body Capacity	m ³								
Tare Mass	Kg								
Aggregate mass in accordance with <i>Roads Act 1993</i>	Kg								
Maximum legal pay load in accordance with <i>Roads Act 1993</i>	Tonne								
A Rate (GST Exclusive)	\$								
B Rate (GST Exclusive)	\$								
C Rate (GST Exclusive)	\$								

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*Last Updated 1/8/13
Version 1 Trim 13/4207*



NOTE: PLEASE COMPLETE INSURANCE DETAILS AND ATTACH COPIES OF ALL POLICIES

(If all Insurances below are covered under the one Policy, only complete Comprehensive section and write **as above** in other Insurance covers)

COMPREHENSIVE INSURANCE VEHICLE/PLANT	
Insurance Company Name:	
Policy Number:	
Expiry Date:	/ /

PUBLIC LIABILITY INSURANCE	
Insurance Company Name:	
Policy Number:	
Expiry Date:	/ /
Amount of Coverage:	\$

WORKERS COMPENSATION INSURANCE	
Insurance Company Name:	
Policy Number:	
Expiry Date:	/ /

UNDERGROUND CABLE & SERVICE INSURANCE	
Insurance Company Name:	
Policy Number:	
Expiry Date:	/ /

I/We offer, subject to the Conditions of Plant Hire, the above plant for hire at the rates set opposite hereto, for the ensuing twelve (12) months commencing / / .

I certify that the details of Plant items offered are complete and correct, and I understand that where the information on this form is found to be incorrect, the item of plant will be removed from hire immediately until the correct information is updated.

It is a Council requirement that all suppliers of goods/service must comply with the *Work Health Safety Act, 2011*, and all relevant Codes of Practice to provide a safe Workplace.

Signed: _____

Offerer's Name: _____

Date: _____

Contact Person: _____

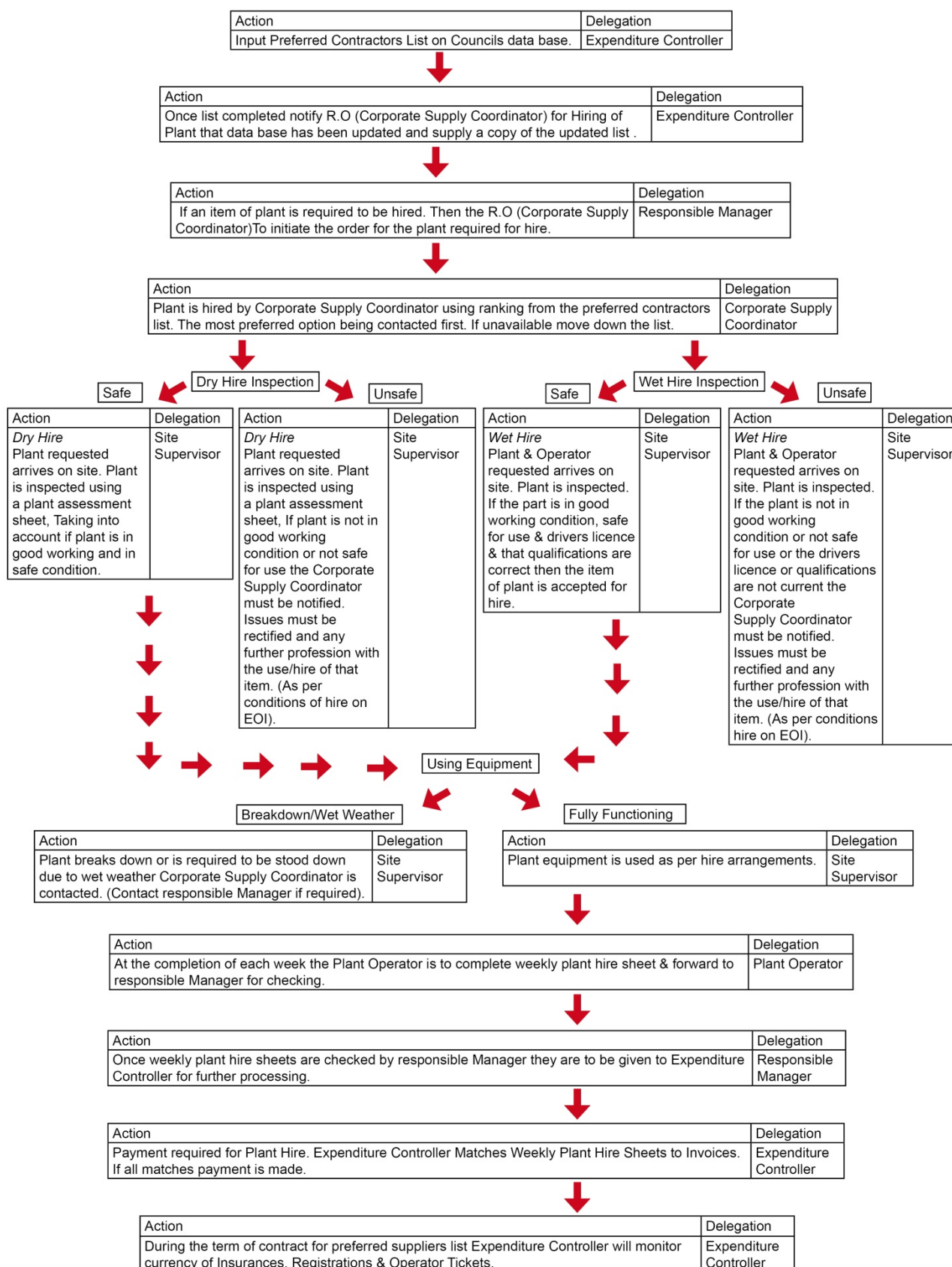
Address: _____

P/Code: _____

Phone No: _____

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Flow Chart - Tasks after Preferred Suppliers Chosen



Contractor	Excavator	Trucks (Gravel Haulage)	Bulldozer	Low Loader (Float Hire)	Rollers/ Water Carts	Skid Compactor	Graders	Bobcat	TOTALS
Blue Gem Contractors	12.02%	6.02%	8.66%	0.86%	0.17%		0.10%		27.82%
Coats Hire					13.25%				13.25%
Compass Equipment Hire						10.07%			10.07%
Ezyquip					6.95%				6.95%
Garth EL		0.48%							0.48%
Gore Earthmoving			13.69%						13.69%
Halls Earthmoving		0.31%							0.31%
Inverell Aggregate	0.53%	10.59%		0.27%					11.39%
Keough Earthmoving								0.43%	0.43%
Rollers Australia					13.23%				13.23%
Ward DR & SM		2.15%		0.27%					2.41%
TOTALS	12.55%	19.50%	22.35%	1.40%	33.60%	10.07%	0.10%	0.43%	100.00%

9 GOVERNANCE REPORTS

11.1 REVISED MODEL CODE OF CONDUCT

File Number: S4.14.5/01 / 20/32506

Author: Scott Norman, Director Corporate and Economic Services

SUMMARY:

A revised Model Code of Conduct and Procedures was gazetted 7 August, 2020. Council must adopt a Code of Conduct based on the Model Code. It is recommended that Council adopt the attached Draft Codes and Procedures, which mirrors the provisions the Model Code.

RECOMMENDATION:

A. *That Council adopt the:*

- i) 2020 Model Code of Conduct for councillors;*
- ii) 2020 Model Code of Conduct for staff and delegates;*
- iii) 2020 Model Code of Conduct for Committee Members, Delegates of Council and Council Advisers; and*
- iv) 2020 Procedures for the Administration of Codes of Conduct.*

COMMENTARY:

A New Model Code of Conduct and Procedures for Local Councils in NSW (the Model Code) was gazetted 7 August, 2020. This replaces the model code that was prescribed in December 2018.

The Model Codes can be found at [OLG Code of Conduct](#)
OLG has produced a Model Code at a Glance Guide; it can be at [Code at Glance](#)

Council has to adopt a Code of Conduct that incorporates the requirements of the Model Code, otherwise a council's existing adopted code of conduct has no effect to the extent it is inconsistent to the Model Code and Procedures.

In adopting a new code of conduct and procedures, council may include provisions that are supplementary to those contained in the Model Code. Councils may also impose more onerous requirements under their adopted codes of conduct than those prescribed under the Model Code. However, councils must not dilute the standards prescribed under the Model Code in their adopted codes of conduct.

The Model Code is available in two alternate formats.

Format 1 is a single code of conduct that applies to all Council Officials. Council Officials includes councillors, members of staff of a council, administrators, council committee members, and delegates of council and, in some circumstances, council advisers.

Format 2 consists of three codes of conduct being:

- a) Model Code of Conduct for councillors

- b) Model Code of Conduct for staff and delegates
- c) Model Code of Conduct for Committee Members, Delegates of Council and Council Advisers.

Format 2 has the advantage of making it easier for Council Officials to determine which sections of the code applies to them. It is recommended that Council adopts the Format 2 Model Codes.

Direct links to these codes and associated fact sheets are

[Code-of-Conduct-for-Councillors](#)

[Code-of-Conduct-at-a-Glance-Elected-Members](#)

[Code-of-Conduct-for-Staff](#)

[Code-of-Conduct-at-a-Glance-Staff](#)

[Code-of-Conduct-for-Committee-Members-Delegates](#)

[Code-of-Conduct-at-a-Glance-Council-Committee-Members](#)

The OLG has also issued a revised model “Procedures” document for the administration of these codes, it can be found at [Procedures-for-the-Administration-of-the-Model-Code-of-Conduct-2020](#) It is recommended that Council adopts the 2020 Procedures for the Administration of Codes of Conduct.

Key changes in the model code include:

- the definitions of council committees and council committee members (the Audit Risk and Improvement Committee is now classed as a Council Committee and a person who is not a Councillor can be classed as a Committee Member),
- grounds of harassment and discrimination,
- gifts and benefits, (increased from \$50 to \$100 inclusive of GST) . Councillors may recall that ISC made a submission there should be no change to the \$50 amount.
- the establishment of conduct review panels,
- the procedures for investigating code of conduct complaints regarding councillors and general managers,
- the imposition of sanctions, and
- the procedures for reviewing decisions to impose sanctions.

The majority of the amendments appear in the New Code Procedures. A briefing paper from Lindsay Taylor Lawyers is attached with a detailed analysis of the changes.

POLICY IMPLICATIONS:

Council must adopt a Code of Conduct based on the Model Codes

LEGAL IMPLICATIONS:

The legislative reference is; Local Government Act 1993 Chapter 14, Part 1, Division 1, General Conduct

ATTACHMENTS:

1. **Revised Model Code of Conduct Lindsay Taylor Lawyers**

8/19/2020

ALERT – Revised Model Code of Conduct and Associated Procedures for Local Councils in NSW | Lindsay Taylor Lawyers

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ALERT – Revised Model Code of Conduct and Associated Procedures for Local Councils in NSW

On 7 August 2020, the NSW Government published *The Model Code of Conduct for Local Councils in NSW 2020 (New Model Code)* and the *New Code for the Administration of The Model Code of Conduct for Local Councils in NSW 2020 (New Code Procedures)*. These documents replace the previous versions published in 2018.

The New Model Code has binding legal force on local government officials under section 440(5) of the *Local Government Act 1993* (NSW) (**LG Act**). The New Code Procedures have binding legal force on local government officials in relation to the investigation of complaints about breaches of the New Model Code and associated matters under s440AA(5) of the LG Act.

The New Model Code and New Code Procedures contain changes relating to:

- the definitions of council committees and council committee members,
- grounds of harassment and discrimination,
- gifts and benefits,
- the establishment of conduct review panels,
- the procedures for investigating code of conduct complaints regarding councillors and general managers,
- the imposition of sanctions, and
- the procedures for reviewing decisions to impose sanctions.

The majority of the amendments appear in the New Code Procedures.

Some of the amendments regarding the investigation of code of conduct complaints about councillors and general managers, the imposition of sanctions, and the review of decisions to impose sanctions, stem from the consideration by the Office of Local Government (**OLG**) of the decision of the Supreme Court of NSW in *Cornish v Secretary, Department of Planning, Industry and Environment* [2019] NSWSC 1134.

In *Cornish*, the Supreme Court held that a council resolution that subjected a councillor to disciplinary measures (being the suspension of remuneration for a period of 3 months) was invalid as it was not authorised by the LG Act under which a council's disciplinary powers for councillor misconduct are

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limited to the power of censure (see section 440G of the LG Act).

Amended definitions

In both the New Model Code and the New Code Procedures, the definitions of the terms '*council committee*' and '*council committee member*' have been amended so as to include, respectively, a council's audit, risk and improvement committee, and a person (other than a councillor) who is a member of such a committee.

New Model Code Changes

Grounds of harassment and discrimination

In clause 3.6 of the New Model Code, the grounds of harassment and unlawful discrimination have been refined to remove reference to '*domestic status*' (which has been replaced with '*marital or relationship status*'), '*homosexuality*' (which has been replaced with '*sexual orientation*'), '*transgender status*' (which has been replaced with '*gender identity or intersex status*'), '*carer's responsibilities*' (which has been replaced with '*family responsibilities*'), and '*infectious disease*' (which has been removed completely). The meaning of the ground of '*race*' is also set out with more specificity, with additional detail as to its meaning provided in brackets.

Clause 3.6 of the New Model Code now reads as follows:

'You must not harass or unlawfully discriminate against others, or support others who harass or unlawfully discriminate against others, on the grounds of age, disability, race (including colour, national or ethnic origin or immigrant status), sex, pregnancy, marital or relationship status, family responsibilities or breastfeeding, sexual orientation, gender identity or intersex status or political, religious or other affiliation.'

Gifts and benefits

Part 6 of the New Model Code covers gifts and benefits.

The monetary value limit for gifts and benefits to be considered of token value has been **increased from \$50 to \$100** inclusive of GST (see clauses 6.8-6.11).

Further, in clause 6.2, two further items have been added to the items that **do not** constitute a gift or benefit under Part 6 of the New Model Code. These are:

- items with a value of \$10 or less, and
- a benefit or facility provided by the council to an employee or councillor.

Compliance with requirements under the New Code Procedures

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In view of changes contained in the New Code Procedures and as a result of the decision in *Cornish*, former clause 9.9, which concerned the need for a councillor or general manager to comply with any council resolution requiring them to take action as a result of a breach of the code of conduct, has been removed from the New Model Code.

New Code Procedures Changes

The New Code Procedures include a number of changes, the most significant of which result from the decision in *Cornish*.

Establishment of panel of conduct reviewers

In Part 3 of the New Code Procedures, the process for appointing and terminating conduct review panels has been simplified by way of removing the requirement for a council to take certain actions by way of a council resolution.

More specifically, a council resolution is no longer required for a council to:

- enter into an arrangement with one or more other councils to share a panel of conduct reviewers including through a joint organisation or another regional body associated with the councils (see clause 3.2), and
- terminate a panel of conduct reviewers at any time (see clause 3.10).

Preliminary assessment of code of conduct complaints about councillors or the general manager by a conduct reviewer

In Part 6 of the New Code Procedures, in relation to the investigation of alleged breaches of the New Model Code by councillors or a general manager, clauses 6.22 and 6.23 have, as a consequence of the decision in *Cornish*, been amended so as to specifically refer to the '*formal censure of a councillor under section 440G of the LGA or disciplinary action against the general manager under their contract of employment...*' as potential outcomes of an investigation.

Investigation and resolution of code of conduct complaints about councillors or the general manager

Part 7 of the New Code Procedures concerning investigations of alleged breaches of the New Model Code by councillors or a general manager has been significantly amended, largely as a consequence of the decision in *Cornish*.

Changes in Part 7 of the New Code Procedures arising from the decision in *Cornish*

Most significantly, and as a consequence of the decision in *Cornish*, the recommendations that may be made under clause 7.37 (formerly clause 7.36) by an investigator who has determined that a councillor or general manager has breached the New Model Code, and the corresponding sanctions that may be imposed by resolution by a council under clause 7.58 (formerly clause 7.59), have been refined, by way of limitation to the following:

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- in the case of a breach by the general manager, that disciplinary action be taken under the general manager's contract of employment for the breach, or
- in the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the LG Act, or
- in the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the LG Act, and that the matter be referred to the OLG for further action under the misconduct provisions of the LG Act.

Further, a new clause 7.39 has been inserted into the New Code Procedures, which provides as follows:

'Where the council censures a councillor under section 440G of the LGA, the council must specify in the censure resolution the grounds on which it is satisfied that the councillor should be censured by disclosing in the resolution, the investigator's findings and determination and/or such other grounds that the council considers may be relevant or appropriate.'

The ability of a council to propose, and resolve to impose, a different sanction on the respondent to that which was recommended by the investigator has also been removed from the New Code Procedures. As a result, former clause 7.61 has been removed and former clause 7.62 (which now appears as clause 7.61) has been amended. New clause 7.61 now provides as follows: *'Where the council resolves not to adopt the investigator's recommendation, the complaints coordinator must notify the Office of the council's decision and the reasons for it.'*

Other changes in Part 7 of the New Code Procedures

The minimum time period for the provision of written submissions by complainants, respondents and affected persons to an investigator has been amended to *'a period of not less than 14 days'* (see clauses 7.4(e), 7.7, 7.8(c), 7.27 and 7.28).

Further, former clause 6.38, which regarded the matters an investigator could have regard to in making a recommendation under former clause 7.36 (now clause 7.37) has been removed.

A new clause 7.39 has been inserted, which provides that, where an investigator has determined that there has been a breach of the New Model Code, they may recommend that a council revise any of its policies, practices or procedures in addition to making a recommendation under clause 7.37.

As a result of the amendments to former clause 7.36 (now clause 7.37), former clauses 7.44 to 7.46 have been consolidated. A new clause 7.44 now provides that, where an investigator has determined that there has been a breach of the Code and makes a recommendation under clause 7.37, *'the complaints coordinator must, where practicable, arrange for the investigator's report to be reported to the next ordinary council meeting for the council's consideration, unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case the report must be reported to the first ordinary council meeting following the election'*.

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Further, a new clause 7.45 has been inserted, which provides that: *'Where it is apparent to the complaints coordinator that the council will not be able to form a quorum to consider the investigator's report, the complaints coordinator must refer the investigator's report to the Office for its consideration instead of reporting it to the council under clause 7.44'.*

Former clause 7.46 (now clause 7.47) has also been amended to take into account the revised recommendations that may be made by an investigator under clause 7.37 (formerly clause 7.36).

Review of decisions to impose sanctions

Part 8 of the New Code Procedures has also been significantly amended as a consequence of the decision in *Cornish*.

Clause 8.11 has been amended so that a councillor who is the subject of a sanction imposed under clause 7.58(c), being that they be formally censured under section 440G of the LG Act and that the matter be referred to the OLG for further action under the misconduct provisions of the LG Act, is precluded from the right to seek a review of the decision to impose the sanction.

Further, former clause 8.20 has been removed, and former clauses 18.19 and 18.21 have been consolidated, so as to remove reference to a sanction implemented by the general manager or mayor under former clause 7.45, and a sanction imposed by council by resolution under former clause 7.59. New clause 18.19 now provides as follows:

'Where the Office considers that the investigator or the council has erred, the Office may recommend that a decision to impose a sanction under these procedures be reviewed. Where the Office recommends that the decision to impose a sanction be reviewed: (a) the complaints coordinator must, where practicable, arrange for the Office's determination to be tabled at the next ordinary council meeting unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case it must be tabled at the first ordinary council meeting following the election, and (b) the council must: i) review its decision to impose the sanction, and ii) consider the Office's recommendation in doing so, and iii) resolve to either rescind or reaffirm its previous resolution in relation to the matter'.

Clause 8.20 has also been amended so that it refers to new clause 8.19(b).

The New Model Code and the New Code Procedures can be viewed [here](#).

Our previous blog about the OLG's Circular No. 19-25, regarding limits on councils' disciplinary powers as they apply to councillors under the *Procedures for the Administration of The Model Code of Conduct for Local Councils in NSW 2018*, which was issued following the decision in *Cornish*, can be viewed [here](#). The decision in *Cornish* can be viewed [here](#).

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To discuss this blog please contact Dr Lindsay Taylor on 02 8235 9701 or Sophia Urlich on 02 8235 9708.



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10 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 Inverell Polocrosse Club - 160 Eddy Park Lane, Inverell