



INVERELL  
SHIRE COUNCIL



*The Construction Certificate for the redevelopment of the Inverell Aquatic Centre was issued on 23 November, 2023. It is anticipated that before Christmas, 500 screw piles will be installed. The progressive installation of the aggregate drainage layer will also occur during these works.*

Business Paper  
Ordinary Meeting of Council  
Wednesday, 13 December 2023

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

8 December, 2023

An Ordinary Meeting of Council will be held in the Council Chambers, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 13 December, 2023, commencing at **3.00pm**.

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 recorded. The 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.**

**BRETT MCINNES**

**GENERAL MANAGER**

**Agenda**

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## Recording of Council Meetings

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

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

## Ethical Decision Making and Conflicts of Interest

A guiding checklist for Councillors, officers and community committees

### Ethical decision making

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

### Conflict of interest

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

- **Pecuniary** – regulated by the Code of Conduct and Office of Local Government
- **Non-pecuniary** – regulated by Code 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?

### Code of Conduct

For more detailed definitions refer to Council's and Model Code of Conduct, Part 4 – Pecuniary Interests and Part 5 – Non – Pecuniary Conflicts of Interest.

### Disclosure of pecuniary interests / non-pecuniary interests

Under the provisions of 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 [Disclosure of Pecuniary Interests form](#) or [Non-Pecuniary Interests 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.

## OUR DESTINATIONS



### 01 LEADERSHIP



We will be an accountable and responsible Council that will be involved with the community and responsibly manage public resources.

### 02 PROSPERITY



The Shire has a diverse, strong local economy that provides opportunities that contribute to the quality of life for the community.

### 03 LIVEABILITY



Our community is healthy, safe, educated and offers opportunities for people of all ages and abilities. We value our natural and built environment.

### 04 SERVICES & INFRASTRUCTURE



Our community is enhanced by the provision of civic services and infrastructure. These services are planned and financially sustainable.



## MEETING CALENDAR

January 2023 – December 2023

### Ordinary Meetings:

Time: 3.00 pm

Venue: Council Chambers

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed
No meeting	28	27	24	22	<sup>^</sup> 26	24	28	25	23	27	11

### Major Committee Meetings:

Civil and Environmental Services - 9.00 am

Economic and Community Sustainability - 10.30 am

Venue: Committee Room

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed
No Meeting	14	13	10	8	12	10	14	11	9	13	No Meeting

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.

<sup>^</sup> Meeting at which the Management Plan for 2023/2024 is adopted.





# INTERNAL CALENDAR

## JANUARY 2024

SUN	MON	TUE	WED	THU	FRI	SAT
	New Year's Day 1.	2.	Festival of Small Halls Summer Tour – Yetman 3.	Festival of Small Halls Summer Tour – Ashford 4.	5.	6.
7.	8.	9.	10.	11.	12.	13.
14.	15.	16.	Summer Splash Inflatables Totem Collective Scooter & Skate Road Safety Workshop BEST Community Services Colour Run 17.	Summer Splash Inflatables 18.	Summer Splash Inflatables 19.	Summer Splash Inflatables 20.
Summer Splash Inflatables Sapphire City Markets 21.	22.	23.	24.	25.	Australia Day Australia Day celebrations in Victoria Park 26.	27.
28.	29.	Third quarter rates instalments to be sent Public interest disclosure report due to NSW Ombudsman 30.	Last day for Council's ledgers to be balanced and prepared for auditor 31.			

 Council office closed

**1 APOLOGIES**

**2 CONFIRMATION OF MINUTES**

**RECOMMENDATION:**

*That the Minutes of the Ordinary Meeting of Council held on 22 November, 2023, 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 NOVEMBER 2023 AT 3.00PM**

**PRESENT:** Cr Paul Harmon (Mayor), Cr Jo Williams, Cr Di Baker, Cr Stewart Berryman, Cr Kate Dight, Cr Jacko Ross and Cr Wendy Wilks.

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

## 1 APOLOGIES

### RESOLUTION 2023/172

Moved: Cr Di Baker

Seconded: Cr Kate Dight

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

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

**CARRIED**

## 2 CONFIRMATION OF MINUTES

### RESOLUTION 2023/173

Moved: Cr Stewart Berryman

Seconded: Cr Wendy Wilks

*That the Minutes of the Ordinary Meeting of Council held on 25 October, 2023, 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

Cr Dight declared a non-pecuniary (in-significant) interest in Item #9.1.1 'Holdfast Crossing – Fish Passage Project Update'. The nature of the interest is that Cr Dight has a family connection to a land owner adjacent to Holdfast Crossing.

Cr Dight declared a pecuniary interest in Item #11.9 Summary of Development Applications, Construction Certificates and Complying Development Certificates during October 2023 S18.10.2/16. The nature of the interest is that Cr Dight's husband is the owner/operator of the extractive industry that relates to DA-112/2023.

#### 4 PUBLIC FORUM

At this juncture, the time being 3.05pm, 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.

##### **Certificate of Service Awards**

At the Local Government Conference dinner on 14 November 2023, two Inverell Councillors received Certificate of Service awards. These awards acknowledge the duration of service of an elected member. Mayor Harmon presented the following awards:

- Cr Di Baker - 25 years of service; and
- Cr Stewart Berryman – 15 years of service.

#### **SUSPENSION OF STANDING ORDERS**

##### **RESOLUTION 2023/174**

Moved: Cr Kate Dight

Seconded: Cr Di Baker

*That standing orders be suspended to allow Paul Cornall - Forsyths Chartered Accountants representing The NSW Audit Office to present the results of the 2022-2023 external audit.*

**CARRIED**

#### **RESUMPTION OF STANDING ORDERS**

##### **RESOLUTION 2023/175**

Moved: Cr Kate Dight

Seconded: Cr Di Baker

*That standard orders be resumed and Item 12.3 be brought forward for consideration.*

**CARRIED**

#### **12.3 PRESENTATION OF COUNCIL'S 2022/2023 AUDITED FINANCIAL REPORTS S13.5.2/16**

##### **RESOLUTION 2023/176**

Moved: Cr Kate Dight

Seconded: Cr Di Baker

*That:*

- i. the information be received and noted; and*
- ii. the Audit Report for the 2022/2023 Financial Year be adopted.*

**CARRIED**



## 5 MAYORAL MINUTE

### 5.1 BIPARTISAN SUPPORT – PARLIAMENTARY INQUIRY INTO CRIME, LAW AND ORDER IN REGIONAL NSW S14.11.1/16

#### RESOLUTION 2023/177

Moved: Cr Wendy Wilks

Seconded: Cr Kate Dight

*That Council endorse the following recommendations listed in the Country Mayors Association of NSW report into Crime, Law and Order and call on the member for Northern Tablelands the Hon. Adam Marshall MP to support the establishment of a Parliamentary Inquiry with the suggested terms of reference in the document:*

1. *That, Inverell Shire Council call on all members of the NSW Parliament to commit to bipartisan support to establish a Parliamentary Inquiry into and report on the rate of crime in all categories reported on by the Bureau of Crime Statistical and Research (BOCSAR) in Regional, Rural and Remote New South Wales, specifically focussing on the inequity between Metro and Regional Local Government areas.*
2. *That, Inverell Shire Council calls on all members of the NSW Parliament to commit to bipartisan support to increase spending on the NSW police force to increase front line policing numbers in Regional, Rural and Remote regions most at need.*
3. *That, Inverell Shire Council call on the NSW Government to commit to the minimum staffing agreements (known in the NSW Police Force as First Response Agreements) for non-24 hour police stations, all of which are located in Regional, Rural and Remote Local Government areas.*
4. *That, Inverell Shire Council calls on the NSW Government to review the current formula used to assess staffing levels including the universally agreed outdated current model for those Local Government areas that do have a First Response Agreement in place.*

**CARRIED**

## 6 ADVOCACY REPORTS

### 6.1 MEMORANDUM OF UNDERSTANDING BETWEEN GOONDIWINDI REGIONAL COUNCIL & INVERELL SHIRE COUNCIL S14.10.1

#### RESOLUTION 2023/178

Moved: Cr Kate Dight

Seconded: Cr Di Baker

*That:*

- i) *The report be received and noted; and*
- ii) *The Memorandum of Understanding between Goondiwindi Regional Council and Inverell Shire Council be signed by the Mayor.*

**CARRIED**

## 7 NOTICES OF BUSINESS

Nil

**8 QUESTIONS WITH NOTICE**

Nil

**9 COMMITTEE REPORTS****9.1 CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MINUTES - 8 NOVEMBER 2023****RESOLUTION 2023/179**

Moved: Cr Stewart Berryman

Seconded: Cr Di Baker

*That:*

- i. the Minutes of the Civil and Environmental Services Committee held on Wednesday, 8 November, 2023, be received and noted; and*
- ii. The following recommendations of the Civil and Environmental Services Committee be adopted by Council.*

**CARRIED**

Cr Dight declared a non-pecuniary (in-significant) interest in Item #9.1.1 'Holdfast Crossing – Fish Passage Project Update'. The nature of the interest is that Cr Dight has a family connection to a land owner adjacent to Holdfast Crossing.

**9.1.1 Holdfast Crossing - Fish Passage Project Update****RECOMMENDATION:**

*That the amended proposal from the Department of Planning and Environment, Water Infrastructure NSW regarding the Reconnecting the Northern Basin: Fish Passage Project at Holdfast Crossing be approved.*

**9.1.2 Information Reports****RECOMMENDATION**

*That the information reports be received and noted.*

**9.2 ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MINUTES - 8 NOVEMBER 2023****RESOLUTION 2023/180**

Moved: Cr Kate Dight

Seconded: Cr Jo Williams

*That:*

- i) the Minutes of the Economic and Community Sustainability Committee held on Wednesday, 8 November, 2023, be received and noted; and*

- ii) *The following recommendations of the Economic and Community Sustainability Committee be adopted by Council.*

**CARRIED**

#### **9.2.1 Parliamentary Inquiry into Crime, Law and Order in Regional NSW**

##### **RECOMMENDATION:**

*That:*

- a) *the report be received and noted;*
- b) *the Committee note the intent for a Mayoral Minute to be considered at the November Council meeting.*

#### **9.2.2 Expiring Licence Agreement - Mr Gerard Merchant**

##### **RECOMMENDATION:**

*That:*

- i) *Council renew the Licence Agreement with Gerard Merchant for part portion of land located at Inverell Aerodrome, Gilgai for a five (5) year period with a further five (5) year option;*
- ii) *the Licence fee be \$854.21 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.*

#### **9.2.3 Council's Performance Report - Statecover Mutual**

##### **RECOMMENDATION:**

*That the information be noted.*

#### **9.2.4 Request to Share Project Cost by Sapphire Wind Farm Community Benefit Fund Committee - National Transport Museum**

##### **RECOMMENDATION:**

*That:*

- i) *Council partner with the Sapphire Wind Farm Community Benefit Fund and National Transport Museum to install evaporative air conditioners at the Museum; and*
- ii) *Council fund its \$10,000 contribution from Minor Community Infrastructure Assets budget allocation.*

#### **9.2.5 Request to Licence Land - Lots 290, 291 and 292 DP 753287 (Reserve 80153) adjacent to Ross and Clive Streets, Inverell**

##### **RECOMMENDATION:**

*That:*

- i) Council enter into a Licence Agreement with Paul and Jayne Miller for Lots 290, 291 and 292 DP 753287, (Reserve 80153) adjacent to Ross and Clive Streets, Inverell for a five (5) year period with a further five (5) year option;*
- ii) the Licence fee be \$420.00 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.*

#### **9.2.6 Request to Licence Land - Part Lot 1 DP 1140913 Cameron Park and Part Closed Road, Cameron Street, Inverell**

##### **RECOMMENDATION:**

*That:*

- i) Council enter into a Licence Agreement with David Luxford for Part Lot 1 DP 140913 Cameron Park and Part Closed Road, Cameron Street, Inverell for a two (2) year period with a two (2) year option;*
- ii) the Licence fee be \$530.45 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.*

#### **9.2.7 Quarterly Budget and Operational Plan 2022/2023**

##### **RECOMMENDATION:**

*That:*

- i) Council's Quarterly Operational Plan and Budget Review for 30 September, 2023 be adopted; and*
- ii) The proposed variations to budget votes for the 2023/2024 Financial Year be adopted providing an estimated Cash Surplus at 30 September, 2023 from operations of \$7,834.*

#### **9.2.8 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.*

#### **9.2.9 Information Reports**

##### **RECOMMENDATION**

*That the information reports be received and noted.*



## 10 DESTINATION REPORTS

### 10.1 REQUEST FOR COUNCIL ASSISTANCE - INVERELL SHOW SOCIETY - INVERELL SHOW 23, 24 AND 25 FEBRUARY 2024 S12.22.1/16

#### RESOLUTION 2023/181

Moved: Cr Stewart Berryman

Seconded: Cr Di Baker

*That Council support the Inverell Show Society by:*

- i. Providing \$10,000 as a major sponsor to support the 2024 Inverell Show.*
- ii. Providing the use of Council's Variable Message Signs (VMS Boards) to help with advertising of the Show.*

**CARRIED**

### 10.2 REGIONAL DEVELOPMENT AUSTRALIA NORTHERN INLAND - RETIREMENT OF LES PARSONS S14.18.6/16

#### RESOLUTION 2023/182

Moved: Cr Di Baker

Seconded: Cr Wendy Wilks

*That:*

- i) the report be received and noted; and*
- ii) a letter of appreciation be forwarded to Mr Les Parsons OAM acknowledging his dedicated service to the community.*

**CARRIED**

### 10.3 RE-NOMINATION OF COUNCIL REPRESENTATIVES TO THE NORTHERN REGIONAL PLANNING PANEL S18.6.11

#### RESOLUTION 2023/183

Moved: Cr Stewart Berryman

Seconded: Cr Wendy Wilks

*That Council re-nominates Councillor Dianna Baker and Mr Brett McInnes, General Manager as Council representatives to the Northern Regional Planning Panel for a term of three (3) years.*

**CARRIED**

### 10.4 REQUEST FOR CONSIDERATION - WAIVER OF 2023/24 LEASE FEE - INVERELL AND DISTRICT LAPIDARY CLUB INC S5.10.125

#### RESOLUTION 2023/184

Moved: Cr Kate Dight  
Seconded: Cr Stewart Berryman

*That Council does not accede to the Lapidary Club's request to waiver the 2023/24 lease fee.*

**CARRIED**

## **10.5 INDEPENDENT PRICING AND REGULATORY TRIBUNAL'S FINAL REPORT ON THE REVIEW OF THE RATE PEG METHODOLOGY S25.11.3**

### **RESOLUTION 2023/185**

Moved: Cr Di Baker  
Seconded: Cr Wendy Wilks

*That:*

- i) The information be received and noted; and*
- ii) A more detailed report on the matter be provided to the December 2023 Council Meeting.*

**CARRIED**

## **10.6 REFERRAL OF CONFIDENTIAL MATTERS S4.19.32**

### **RESOLUTION 2023/186**

Moved: Cr Stewart Berryman  
Seconded: Cr Kate Dight

*That Council move into Closed (Public excluded) meeting of the Council and that the press and members of the public be asked to leave the chambers whilst Council considers the following items:*

**Item:** 13.1 S29.5.7 - Tenders Inverell Sewage Treatment Plant (STP) Aeration System Upgrade

**Authority:** Section 10A (2) (c) Information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

**CARRIED**

## **11 INFORMATION REPORTS**

### **11.1 INVERELL AQUATIC CENTRE - 70% DESIGN STAGE COMMUNITY CONSULTATION S5.9.27**

#### **RESOLUTION 2023/187**

Moved: Cr Di Baker  
Seconded: Cr Stewart Berryman

*That the report be received and noted.*

**CARRIED**

**11.2 PCG MEETING - INVERELL AQUATIC CENTRE REPLACEMENT S5.9.27****RESOLUTION 2023/188**

Moved: Cr Di Baker

Seconded: Cr Stewart Berryman

*That the information report be received and noted.***CARRIED****11.3 NEW SOUTH WALES HOUSING CRISIS - NATIONAL HOUSING ACCORD S18.6.71****RESOLUTION 2023/189**

Moved: Cr Kate Dight

Seconded: Cr Di Baker

*That the information report be received and noted.***CARRIED****11.4 ORDINANCE ACTIVITIES REPORT FOR SEPTEMBER 2023 S18.10.1****RESOLUTION 2023/190**

Moved: Cr Kate Dight

Seconded: Cr Wendy Wilks

*That the information report be received and noted.***CARRIED****11.5 ORDINANCE ACTIVITIES REPORT FOR OCTOBER 2023 S18.10.1****RESOLUTION 2023/191**

Moved: Cr Kate Dight

Seconded: Cr Wendy Wilks

*That the information report be received and noted.***CARRIED****11.6 STRATEGIC TASKS - 'SIGN OFF' - SEPTEMBER 2023 S4.13.2****RESOLUTION 2023/192**

Moved: Cr Stewart Berryman

Seconded: Cr Di Baker

*That the information report be received and noted.***CARRIED**

**11.7 STRATEGIC TASKS - 'SIGN OFF' - OCTOBER 2023 S4.13.2****RESOLUTION 2023/193**

Moved: Cr Stewart Berryman

Seconded: Cr Di Baker

*That the information report be received and noted.***CARRIED**

At 4.01pm, Cr Kate Dight left the meeting having declared a pecuniary interest in item #11.9 Summary of Development Applications, Construction Certificates and Complying Development Certificates during October 2023 S18.10.2/16. The nature of the interest is that Cr Dight husband is the owner/operator of the extractive industry that relates to DA-112/2023 left the meeting.

**11.8 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENT CERTIFICATES DURING SEPTEMBER 2023 S18.10.2/16****RESOLUTION 2023/194**

Moved: Cr Wendy Wilks

Seconded: Cr Di Baker

*That the information report be received and noted.***CARRIED****11.9 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENT CERTIFICATES DURING OCTOBER 2023 S18.10.2/16****RESOLUTION 2023/195**

Moved: Cr Wendy Wilks

Seconded: Cr Di Baker

*That the information report be received and noted.***CARRIED**

At 4.02pm, Cr Kate Dight returned to the meeting.

**12 GOVERNANCE REPORTS****12.1 DELEGATION OF AUTHORITY - GENERAL MANAGER S22.2.1****RESOLUTION 2023/196**

Moved: Cr Di Baker

Seconded: Cr Kate Dight

*That Council delegate the functions described in the relevant Instrument of Delegation, attached to this report, to the General Manager, Mr Brett McInnes.***CARRIED**



**12.2 POLICY - APPOINTMENT OF AN ACTING GENERAL MANAGER S4.14.1/01****RESOLUTION 2023/197**

Moved: Cr Kate Dight

Seconded: Cr Jo Williams

1. *That when the General Manager is on leave, a member of the Executive Team will fill the role of Acting General Manager. The position will default to the following person:*  
  
*Director Corporate and Economic Services*
2. *That the appointment of a member of the Executive Team will cease upon the return to work of the General Manager or a resolution of Council, and*
3. *That any person acting as General Manager, pursuant to this resolution, has all the functions and delegations given to the General Manager by the Council.*

**CARRIED**

Item #12.3 was brought forward and considered earlier in the meeting.

**12.4 GOVERNANCE - PERFORMANCE REPORTING ON ROAD MAINTENANCE COUNCIL CONTRACTS S1.2.3/17****RESOLUTION 2023/198**

Moved: Cr Wendy Wilks

Seconded: Cr Di Baker

*That the information be received and noted.***CARRIED****13 CONFIDENTIAL MATTERS (COMMITTEE-OF-THE-WHOLE)**

At 4.05pm, the Chairperson offered the opportunity to members of the public to make representations as to whether any part of the Council Meeting should not be considered in Closed Council. There was no response.

**RESOLUTION 2023/199**

Moved: Cr Stewart Berryman

Seconded: Cr Jacko Ross

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

**RESOLUTION 2023/200**

Moved: Cr Kate Dight  
Seconded: Cr Jacko Ross

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

**CARRIED**

Upon resuming Open Council at 4.10pm, 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:

**13.1 S29.5.7 - TENDERS INVERELL SEWAGE TREATMENT PLANT (STP) AERATION SYSTEM UPGRADE S4.19.32****RECOMMENDATION:**

*That:*

- i) Council accept the Tender from Aquatec Maxcon Pty Ltd, including the variation of removing the aeration tank Standard Oxygen Transfer Rate testing, in the total sum of \$961,106.00;*
- ii) The Mayor and General Manager be authorised to execute any subsequent contract under Council seal; and*
- iii) The General Manager be authorised to negotiate any reasonable AUD exchange rate variations to the Contract or Specifications before execution.*

**ADOPTION OF RECOMMENDATIONS****RESOLUTION 2023/201**

Moved: Cr Di Baker  
Seconded: Cr Kate Dight

*That the recommendations of Closed Council be adopted.*

**CARRIED**

**The Meeting closed at 4.11pm.**

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

**4 PUBLIC FORUM**

**5 MAYORAL MINUTE**

Nil

**6 ADVOCACY REPORTS****6.1 BORDER REGIONAL ORGANISATION OF COUNCILS (BROC) MEETING MINUTES - 11 AUGUST 2023 AND 10 NOVEMBER 2023**

**File Number:** S14.10.1 / 23/38672

**Author:** Kate Dight, Councillor

**SUMMARY:**

Councillor Dight is the Chairperson of the Border Regional Organisation of Council (BROC) which represents 12 Councils situated on the QLD / NSW border. The following BROC meetings have been held:

- Cunnamulla (Paroo Shire) on Friday, 11 August, 2023;
- Tenterfield (Tenterfield Shire Council) on Friday, 10 November, 2023; and
- Annual General Meeting – Tenterfield on Friday, 10 November, 2023.

The minutes of these meetings are presented for the attention of Council.

**RECOMMENDATION:**

*That the minutes of the Border Regional Organisation of Councils meetings held on 11 August, 2023 and 10 November 2023 be received and noted.*

**ATTACHMENTS:**

1. Border Regional Organisation of Councils (BROC) Meeting Minutes - 11 August 2023 [↓](#)
2. Border Regional Organisation of Councils (BROC) Meeting Minutes - 10 November 2023 [↓](#)
3. Annual General Meeting - Border Regional Organisation of Councils (BROC) Meeting Minutes - 10 November 2023 [↓](#)



**MINUTES OF THE BORDER REGIONAL ORGANISATION OF COUNCILS MEETING HELD AT THE CIVIC & COMMUNITY ENTERPRISE CENTRE, CORNER LOUISE AND STOCKYARD STREETS, CUNNNAMULLA (PAROO SHIRE COUNCIL) ON FRIDAY 11 AUGUST 2023 COMMENCING AT 9AM (LOCAL TIME).**

**Attendees:**

Balonne Shire Council	Cr Samantha O'Toole (Zoom)
	Matt Magin
Brewarrina Shire Council	David Kirby
Bulloo Shire Council	Donna Hobbs
Goondiwindi Regional Council	Cr Rob McKenzie
Gwydir Shire Council	Cr David Coulton
Inverell Shire Council	Cr Kate Dight (Chairperson)
	Sharon Stafford
Moree Plains Shire Council	Cr Mark Johnson
	Cr Lisa Orchin
	Nick Tobin
Paroo Shire Council	Cr Suzette Beresford
	Cr Rick Brain
	Cassandra White
	Tony Koch
Southern Downs Regional Council	Cr Andrew Gale (Zoom)
Tenterfield Shire Council	Cr Bronwyn Petrie (Zoom)
	Cr John Macnish (Zoom)

**Also in Attendance:**

Ann Leahy MP	Member for Warrego, Shadow Minister for Local Government, Disaster Recovery and Volunteers
RDA Darling Downs/South West	Robyn Haig
RDA Northern Inland	Russell Stewart
SES	Paul Perusic
	Matthew Chadwick
ARTC	Jo Tait (Zoom)
Department Transport QLD	Bill Lansbury
Transport for NSW	Matt Perez
Jamie Gorrie	Dept Agriculture & Fisheries
Greg Ringwood	Department of Climate Change, Energy, the Environment and Water

**1 MEETING OPEN**

**2 WELCOME**

Cr Suzette Beresford PSM, Mayor, Paroo Shire Council extended a warm welcome to delegates and invited guests.

### 3 APOLOGIES

*RESOLVED (Goondiwindi/Moree Plains) that the following apologies be accepted:*

<i>Brewarrina Shire Council</i>	<i>Cr Vivian Slack-Smith</i>
<i>Bulloo Shire Council</i>	<i>Cr Tractor Ferguson</i>
<i>Goondiwindi Regional Council</i>	<i>Cr Lawrence Springborg &amp; Carl Manton</i>
<i>Gwydir Shire Council</i>	<i>Cr John Coulton</i>
<i>Southern Downs Regional Council</i>	<i>Cr Vic Pennisi</i>
<i>Walgett Shire Council</i>	<i>Cr Jane Keir</i>
<i>QLD Police</i>	<i>Chris Mitchell</i>
<i>Member for Lismore</i>	<i>Janelle Saffin MP</i>
<i>NSW Cross Border Commissioner</i>	<i>James McTavish</i>
<i>QLD Dept Premier &amp; Cabinet</i>	<i>Matthew Gregg</i>
<i>Bourke Shire Council</i>	<i>Cr Barry Hollman</i>

CARRIED

### 4 CONFIRMATION OF MINUTES

#### 4.1 MEETING MINUTES – 19 MAY 2023

*RESOLVED (Paroo/Moree Plains) that the minutes of the Border Regional Organisation of Councils meeting held in St George on 19 May, 2023, as circulated to members, be confirmed as a true and correct record of that meeting.*

CARRIED

#### 4.2 MATTERS ARISING FROM THE MINUTES

##### Memorandum's of Understanding (MOU)

It was noted that a draft template has been drafted and forwarded to Councils for consideration alongside with their neighbouring cross-border council(s). Councils provided an update on the status of their respective MOU's, noting that the intent was for a group signing at the November BROCC meeting.

*RESOLVED (Goondiwindi Regional/Moree Plains) that Goondiwindi Regional Council approach Simone Talbot from their ROC to prepare a draft Memorandum of Understanding for consideration that encompasses all Cross-Border Councils.*

CARRIED

### 5 CROSS BORDER COMMISSIONER UPDATE

Nil.

### 6 DISASTER MANAGEMENT UPDATE

Paul Perusic – SES North Western Zone, NSW

- The geo-spacial systems that the SES use have traditionally stopped at the border but as of recently, they have started sharing the data and maps with their QLD counterparts to build a better picture of events.
- Both the Mungindi and Boggabilla SES Units are now fully staffed, with training to commence shortly - this is a great improvement.
- Have reached out to QFES to familiarise themselves with their practices and determine what equipment/resources are available

Matthew Chadwick – SES Northern Western Zone, NSW

- The Tenterfield volunteer numbers have built back up.
- The Tablelands has been split into 2 commands and he is the local commander for the Upper reaches of the region.
- As mentioned last meeting, west of Mungindi, it becomes the SES Western zone under the Command of Brigid Rice.
- It is particularly important the SES & RFS have outreach services. However, to date the RFS has been non-responsive to this. Going forward, it is hoped that these organisations come together and that this improves.

Hon Ann Leahy – Member for Warrego, Shadow Minister for Local Government, Disaster Recovery and Volunteers

- The supply of gravel is becoming more difficult because of the native title claims over the pits that are on crown lands.
- The DPI are the lead agency with an inter-government working group charged with negotiating native title clearance for these pits. Currently in Southern QLD there are 104 operational pits of which only 4 have native title clearance. The issue is becoming urgent and the concern is that the Dept of Main Roads (who have extensive understanding of this) are not a part of the working group. The indigenous land groups have an 18 month processing time frame and Councils need to be aware of this as their existing permits expire and they begin to renegotiate title.
- The Bulloo Shire have a similar situation.
- In NSW many of the pits are on older land leases which pre-date Native Title legislation (pre- 1993) and are not subject to native title claims. Any pits that are on free hold land are much easier to access.

## **7 GUEST SPEAKER**

Item held over till later in the meeting.

## **8 STRATEGIC PLANNING FOR BROCC**

Item 8.2 'BROCC Areas of Strategic Importance (BASI) Focus Group Updates' brought forward for consideration.

### **8.2 BROCC AREAS OF STRATEGIC IMPORTANCE (BASI) FOCUS GROUP UPDATES (INCLUDING ADDITIONAL INFORMATION)**

There are seven (7) areas of strategic importance for BROCC and all member Councils agreed to promote and support a restructure of BROCC operations so that these areas could be individually addressed and tailored to meet outcomes relevant to BROCC. Each area has one member Council electing to lead and drive the advocacy. The outcome of deliberations to date are detailed below.

#### BROCC Areas of Strategic Importance (BASI)

1. Attracting Population and Industry (Lead Council – Paroo, Associated Councils - Inverell, Moree)

Cr Beresford provided the following update:

- Website has been updated
- Links established on some Council websites.

2. Transport Networks (Lead Council – Gwydir, Associated Councils - Southern Downs, Tenterfield, Inverell, Bulloo)

Gwydir Shire Council provided the following update:

- There are several different regulations between the states of VIC, NSW & QLD. The problems incurred between states with freight are different loading regulations eg axle weight as opposed to volumetric loading.
- The other annoyance is the different rules regarding road train and B triple routes. From experience when buying hay in Victoria during the drought road trains had to de-couple at the border, hence freight bill was bigger.
- When in Canberra at the ALGA conference Cr John Coulton spoke to the people at the National Heavy Vehicle Regulator stand about some of the problems incurred. There was a Victorian hay grower there at the time and he shared the frustration. After a conversation about all the state differences the personnel offered to attend and speak at a future BROCC meeting.
- The other big anomaly is that of registration charges, there are big differences between states. A good example of this is caravans. NSW is very expensive.
- Pinch point notified - bridge over the Gwydir at Gravesend on the Gwydir Highway.
- Noted matters raised by Pastoralists Association of West Darling re: Requesting that NSW allow longer truck combination into the Unincorporated area and Sealing the Warrie Gate Road from Nocundra to the NSW border.

*RESOLVED (Gwydir/Paroo) that a representative of the National Heavy Vehicle Regulator be invited to address BROCC at their November meeting.*

CARRIED

3. Disaster Recovery, Management & Betterment (Lead Council – Balonne, Associated Councils - Goondiwindi, Moree, Tenterfield, Inverell)

Balonne Shire Council provided the following update:

- waiting on the report of the Cross-Border Exercise from Chris Mitchell to assess the survey content (report due within the next four (4) weeks).
- Collaboration between NSW & QLD evident on the day of the Cross-Border Exercise. Chris Mitchell congratulated on bringing agencies/councils/the event together.
- Survey to be revisited after results from Cross Border Exercise known.

4. Health Services (Lead Council – Tenterfield, Associated Councils - Moree, Inverell, Goondiwindi, Paroo)

The following report was provided:

- Adam Marshall's Hunter New England Health petition to split the agency has been put as a private members bill and is progressing through the parliamentary system.
- Ambulance arrangements are currently being prioritised.
- A big win for Mungindi in that QLD is spending funds in Mungindi to build services to accommodate health staff.

5. Housing (Lead Council – Walgett, Associated Councils - Bulloo, Moree)

Walgett not in attendance. No report provided.



6. Education & Childcare (Lead Council – Moree, Associated Councils - Bulloo, Balonne, Walgett)

The following update was provided:

- NSW & Qld Dept of Education are in conversation particularly regarding the pre-school at Mungindi and pleasingly, people are listening.

7. Telecommunication Connectivity (Lead Council – Goondiwindi, Associated Councils - Moree, Balonne, Inverell)

The following report was provided:

- May Boisen and Ian George to be invited to address BROCC regarding Telstra's partnership connectivity roll out.
- Field Solutions Group to be invited to address BROCC.

**8.1 PROPOSAL TO REALIGN THE BROCC AREAS OF STRATEGIC IMPORTANCE (INCLUDING ADDITIONAL INFORMATION)**

*RESOLVED (Moree / Goondiwindi) that BROCC redefine the Strategic Priority Areas (SPA) as follows and put forward the necessary change to the Constitution at the November AGM.*

CARRIED

BROCC STRATEGIC PRIORITY AREAS (SPA)		
SPA	Encompassing	Responsible Council
<b>1 ECONOMIC DEVELOPMENT &amp; TOURISM</b>  Lead Council: Inverell	Industry	Inverell
	Digital Connectivity	Goondiwindi
	Tourism	Paroo
<b>2 LIVEABILITY</b>  Lead Council: Moree Plains	Health	Tenterfield
	Housing	Goondiwindi / Bulloo
	Education	Moree
	Policing / Crime Prevention	Goondiwindi / Moree
<b>3 INFRASTRUCTURE</b>  Lead Council: Gwydir	Road Network	Gwydir / Balonne
	Transport	Southern Downs
	Water Security, Urban & Waste Water	Inverell
<b>4 DISASTER MANAGEMENT</b>  Lead Council: Balonne	Agency Coordination	Balonne
	Biosecurity	Balonne

At this juncture, the time being 11.15am, Cr O'Toole, Cr Beresford and Bill Lansbury left the meeting.

**9 AGENCY UPDATES****Matt Perez, TNSW District Works Manager, Far West Networks & Assets**

- Matt is responsible for maintaining the road network in the unincorporated Region of NSW and is willing to be the point of contact for BROCC going forward. He may not be the person who can resolve the issue but he will find the relevant person in TNSW who is. David Dickie is his senior. Holly Davies is the Division of Partnering Communications.

**Jo Tait, Australian Rail Track Corporation ARTC**

- Federal approval for the North Star to Border region of the Inland Rail has been granted which is progress. The elements of cost, time and scope are still to be resolved.
- There is a new Inland Rail Board in place with Naomi Tonscheck as the new project officer. BROCC would like to invite her to address at the next meeting.
- The section north of Parkes is still in review and there remains no time frame for this approval.

**Greg Ringwood – Local Engagement Officer for the Office of Environmental Water**

- During the last 2 years they have delivered the greatest amount of water to the environment to date with the Macintyre Marshes, the Gwydir Wetlands and the Narran Lakes brimming with ecological activity. These flows have all been from regulated river systems. The trade-off is always between using water now or saving for later and risking losing it due to some other weather event such as drought.
- There is a current blue green algae event that they are watching closely.
- The recent EWAG meeting highlighted the importance of community engagement sessions and trying to ensure NSW & Qld are in conversation.
- Copy of presentation kindly provided for distribution with minutes.

**Robyn Haig – RDA DDSW**

- Robyn has just been appointed to this role.
- The Growing Better Regions Fund is open again.
- There is a new RDA charter for intelligence gathering and information dissemination with a new business plan; liaising major projects, telecommunications advocacy & supporting carbon transmission.
- Advocacy for the Qld Cross Border Commissioner is constantly talked about but with little resolve.
- There is a region-wide housing audit with many recommendations expected to result.

At this juncture, the time being 11.45am, Donna Hobbs left the meeting, Cassie White arrived.

**Russell Stewart – RDANI NSW**

- Another boundary review is currently in place and the new RDA boundaries may be delineated by LG areas. This is a significant change and will have flow on impacts to RDA operations
- Migration is always the priority. So far this year there have been 290 migrants but they have all gone to the major regional cities, ie Tamworth & Armidale. He is advocating to get these migrants to smaller centres. He is looking to LGA's to partner to provide accommodation and if Councils have available housing, they will attract the migrants.

## 7 GUEST SPEAKER

### Cassie White – CEO Paroo Shire Council ‘Transforming Paroo – The Revitalisation Phase’

- Paroo, population of 1544, is enjoying a growth phase with lots of revitalisation programs in place.
- Highlights include community team spirit, outback relaxed lifestyle, services and amenities available, multi-million dollar riverwalk/hot springs project, thinking outside the box, upskilling staff – all whilst juggling income/expenditure.
- Copy of presentation kindly provided for distribution with minutes.

## 10 CORRESPONDENCE

### 10.1 INWARDS

- Hon Grace Grace MP, Minister for Education, Industrial Relations & Racing - Occupational Licences.
- Southern Downs Regional Council – Border Tourism Trial Proposal.
- Bank Statements and Fixed Term Certificate – National Australia Bank & Credit Union

### 10.2 OUTWARDS

- Insurance Council of Australia – Postcode Driven Insurance Policy Premium Price Increases.
- Hon Fiona Nash, Regional Education Commissioner – Preschool/Kindergarten Mungindi cc  
Hon Dr Anne Aly MP, Minister for Early Childhood Education; Senator the Hon Anthony Chisholm, Assistant Minister for Education; James McTavish, Cross Border Commissioner.
- Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development & Local Government – Inland Rail (Completion of the Narrabri to North Star Project).
- Mr James McTavish, Cross Border Commissioner – Appreciation of financial support for Cross Border Disaster Management Exercise held in St George on 13 July 2023.

*RESOLVED (Balonne/Gwydir) that the Inwards and Outwards correspondence be received and noted.*

CARRIED

### 10.3 MATTERS ARISING FROM CORRESPONDENCE

Nil.

## 11 FINANCIAL REPORT

### 11.1 TRANSACTIONS

#### National Australia Bank – 69-022-2187

Opening Balance as at 12 April 2023	<b>\$20,453.87</b>
Interest	<b>\$0.51</b>
22/23 Membership – Moree Plains Shire Council	<b>\$500.00</b>
Balance as at 11 July 2023	<b>\$20,954.38</b>

**National Australia Bank – Term Deposit 42-388-8697**

Lodged 27 December 2022 for 12 months @ 3.75%	<b>\$10,583.97</b>
Maturity Date – 27 December 2023	

**Warwick Credit Union – Fixed Term Deposit 100005924**

Reinvested 22 April 2023 for 12 months @ 3.75%	<b>\$ 11,559.83</b>
Maturity Date – 22 April 2024	

*RESOLVED (Goondiwindi/Moree) that the Financial Report be accepted.*

CARRIED

**11.2 MATTERS ARISING FROM FINANCIAL REPORT**

Nil.

**12 ITEMS LISTED****12.1 BOURKE SHIRE COUNCIL – MEMBERSHIP**

*RESOLVED (Moree/Balonne) that:*

- i) Bourke Shire Council be accepted as a member of BROC;*
- ii) A tax invoice for 2023/34 membership of \$500 be forwarded to Bourke Shire Council;*
- iii) The BROC Constitution reflect Bourke Shire Council as a member.*

CARRIED

At this juncture, the time being 12.35pm Cr Beresford returned to the meeting.

**12.2 SUPPLEMENTARY REPORT - DESIGNATED AREA MIGRATION AGREEMENTS**

It was noted that SEQLD are developing a DAMA and inviting other councils to register their interest.

*RESOLVED (Balonne/Moree) that Balonne & Inverell Shire Councils investigate the possible establishment of a Designated Area Migration Agreement which covers the BROC geographic area.*

CARRIED

**13 ACTION ITEM LOG**

*RESOLVED (Goondiwindi/Moree) that:*

- i) the Action Item Log be received and noted: and*
- ii) the following items be removed from the Action Log:*
  - Invitation to Join BROC*
  - Disaster Management Workshop*
  - Transport for NSW Contact re: Inland Bruce*
  - Bureau of Meteorology*

CARRIED

**14 GENERAL BUSINESS****14.1 SUPPLEMENTARY REPORT - INTRODUCTION TO PORTT AND DIGITISED PROCUREMENT**

*RESOLVED (Goondiwindi/Moree) that the information be received and noted.*

CARRIED

**CRIME FORUM**

Meeting in Goondiwindi on the 29th September 2023 and BROC members invited to attend to tackle crime issues. There is a need for wrap around support for offenders when they come out of jail. The NSW Minister has visited Moree and is aware of the issues. Advocacy is for a judicial bubble to be put in place for the border regions.

**LGAQ / LGNSW / CROSS BORDER COMMISSIONER**

*RESOLVED (Balonne/Goondiwindi) that:*

- i) BROC write to the CEO's of both organisations extending a standing invitation for a representative from LGAQ, LGNSW to attend BROC meetings cc Cr Darriea Turley AM, President LGNSW; and*
- ii) An invitation be extended for an alternate delegate from the NSW Cross Border Commissioner's office to attend future BROC meetings.*

CARRIED

**BIOSECURITY**

Issues such as varroa mite and fire-ants to be included in BROC strategic priority areas under 'Disaster Management'. These current issues are being dealt with by QLD & NSW local land services and to date no cross border issues have arisen.

**15 NEXT MEETING**

Cr Dight thanked Paroo Shire Council for hosting this meeting in Cunnamulla and confirmed that the next meeting, AGM & Ordinary, will be held in Tenterfield (hosted by Tenterfield Shire Council) on Friday 10 November, 2023 commencing at 9am local time.

**16 MEETING CLOSED**

There being no further business the meeting closed at 1.06pm.



**MINUTES OF THE BORDER REGIONAL ORGANISATION OF COUNCILS MEETING HELD AT THE TENTERFIELD SHIRE COUNCIL CHAMBERS, 247 ROUSE STREET, TENTERFIELD (TENTERFIELD SHIRE COUNCIL) ON FRIDAY 10 NOVEMBER 2023 COMMENCING AT 9.30AM (LOCAL TIME).**

**Attendees:**

Balonne Shire Council	Cr Samantha O'Toole
	Matt Magin
Bourke Shire Council	Cr Barry Holman
	Leonie Brown
Brewarrina Shire Council	Cr Vivian Slack-Smith *
	David Kirby *
Bulloo Shire Council	Donna Hobbs *
Goondiwindi Regional Council	Cr Rob McKenzie
Gwydir Shire Council	Cr John Coulton
	Cr David Coulton
Inverell Shire Council	Cr Kate Dight (Chairperson)
	Sharon Stafford
Moree Plains Shire Council	Cr Lisa Orchin
	Kelvin Tytherleigh
Paroo Shire Council	Cr Suzette Beresford
	Tony Koch
Southern Downs Regional Council	Cr Vic Pennisi
	Cr Andrew Gale
	Dave Burges
Tenterfield Shire Council	Cr Bronwyn Petrie
	Cr John Macnish
	Glenn Wilcox

**Also in Attendance:**

QLD Police Service	Chris Mitchell
Member for Warrego	Hon Ann Leahy MP *
Cross Border Commission	Kalina Koloff *
	Kellie Urquardt *
RDA Darling Downs/South West QLD	Robyn Haig
RDA Northern Inland NSW	Nathan Axelsson *
<b>LGNSW</b>	Cr Darriea Turley *
	David Reynolds *
LGAQ	Sarah Vogler *
ARTC	Jo Tait *
ARTC / Inland Rail	Naomi Tonscheck *
Department Transport QLD	Peter Trim *
Telstra	Scott Mullally
	Ian George
NHVR NSW	Bethany Magill *
NHVR QLD	Jose Arredondo *
	Angela Slagter *
	Cristian Pardo *

Regional NSW	Tegan Hinchey-Gerard *
The Real Time Initiative	Graeme Brittenden
SWQROC	Simone Talbot *

\* denotes attendance via Zoom

# **1 MEETING OPEN**

## **2 ACKNOWLEDGMENT OF COUNTRY & WELCOME**

Cr Bronwyn Petrie, Mayor, Tenterfield Shire Council performed an Acknowledgement of Country and extended a warm welcome to delegates and invited guests.

## **3 APOLOGIES**

*RESOLVED (Goondiwindi Regional/Balonne) that the following apologies be accepted:*

<i>Bulloo Shire Council</i>	<i>Cr Tractor Ferguson</i>
<i>Goondiwindi Regional Council</i>	<i>Cr Lawrence Springborg &amp; Carl Manton</i>
<i>Walgett Shire Council</i>	<i>Megan Dixon</i>
<i>Paroo Shire Council</i>	<i>Cassandra White</i>
<i>Moree Plains</i>	<i>Cr Mark Johnson</i>
<i>Member for Northern Tablelands</i>	<i>Hon Adam Marshall MP</i>
<i>RDANI</i>	<i>Russell Stewart</i>
<i>Member for Lismore</i>	<i>Hon Janelle Saffin MP</i>
<i>QLD Dept Premier &amp; Cabinet</i>	<i>Matthew Gregg</i>

CARRIED

## **4 CONFIRMATION OF MINUTES**

### **4.1 MEETING MINUTES – 19 MAY 2023**

*RESOLVED (Goondiwindi Regional/Paroo) that the minutes of the Border Regional Organisation of Councils meeting held in Cunnamulla (Paroo Shire Council) on 11 August, 2023, as circulated to members, be confirmed as a true and correct record of that meeting.*

CARRIED

### **4.2 MATTERS ARISING FROM THE MINUTES**

Nil.

CARRIED

## **5 GUEST SPEAKER**

### **Graeme Brittenden, The Real Time Initiative (RTI)**

- The Real Time Initiative advocates for 3 time zones across Australia all year.
- Currently during the summer months, there are 5 time zones because NSW, VIC & TAS go into Day light saving time, moving clocks forward by 1 hour.
- Graeme's proposal puts a stop to Day light saving time for the southern states and instead advocates to move clocks in all eastern states and SA, forward by half an hour, on a permanent basis.

- This would mean huge savings for all economic activity which is disrupted by the time difference between NSW & QLD.
- Steve Toms who was the first Cross Border Commissioner, was a strong supporter of the proposal
- See presentation attached.

*RESOLVED (Goondiwindi Regional/Balonne) that delegates canvass their respective Councils regarding the initiative to 'fix the time' and provide feedback at the next BROCC meeting.*

## 6 CROSS BORDER COMMISSIONER UPDATE

Kalina Koloff – Acting NSW Cross Border Commissioner

- Kalina is the new Acting Commissioner in this role and is based in the ACT. She has many years of experience with Local Government and has worked with Joint Organisations of Councils. The Commission has been under review with the change in NSW government and cost saving measures have been implemented. However, the organisation still has 15 full-time ongoing staff and is very active in tackling cross border issues.
- The MOU between NSW & QLD has been reviewed and updated and there is refreshed collaboration between the states to develop a strong framework with a work plan and other initiatives. A part of that is the implementation of the QLD Cross Border Commissioner which has progressed. Announcements for this are imminent and Kalina welcomes any appointment if it was to be made.
- The NSW Minister of Health Advisory Panel has held an enquiry into rural health and access to services with a number of outcomes that are being assessed. There is now a much skinnier budget with many changes and advocacy here is required.
- The second round of The Commission Infrastructure Fund has been scrapped following the strategic review. However, the Government is implementing a Trust Fund to the value of \$350M to support regional areas and investment. Cross border projects are likely to be eligible for investment from this Trust.
- The Commission is now working much closer with Service NSW and is requiring them to ask the 'border questions'. It is asking that the agencies, such as Service NSW, think strategically in their functionality and consideration of these communities.

## 7 STRATEGIC PLANNING FOR BROCC

### 7.1 BROCC STRATEGIC PRIORITY AREAS (SPA) FOCUS GROUP UPDATES

There are four (4) areas of strategic priority for BROCC and all member Councils have agreed to promote and support a restructure of BROCC operations so that these areas could be individually addressed and tailored to meet outcomes relevant to BROCC. Each area has one member Council electing to lead and drive the advocacy. The outcome of deliberations to date are detailed below.

#### BROCC Strategic Priority Areas (SPA)

#### 1) Economic Development & Industry – Inverell

##### a. Industry – DAMA Agreements (Balonne)

- Existing DAMA (Designated Area Migration Agreements) prioritise health and education. The 30 day visas have accredited status. There are 3 visa categories; 494 skilled workers, 482 temporary skilled workers and the 186 employee nominated scheme. They target areas such as truck drivers, childcare, tourism, abattoir labour. But there is some



flexibility with these employee types. The minimum wage for skilled migrant workers is \$70K.

- The advice is to wait before establishing new DAMAs. A new business case has not been built as yet to establish a new DAMA and therefore the cost to Councils is unknown. However, it will be a minimum \$30K which can be shared equally or solely with industry.

**b. Tourism (Paroo)**

- The western BROC Councils are particularly interested in a Border Tourist Trail. Tenterfield has already completed a tourist trail project in conjunction with Southern Downs which could be capitalised on to take further west and incorporate the border Council areas. Paroo Shire asked for interest for this 'Summit to Big Sky' proposal and all member Councils indicated this was worth pursuing. Paroo will initiate this with the respective Council Tourism officers and report back at the next meeting.

**c. Connectivity (Goondiwindi) – Telstra; Ian George (NSW) & Scott Mullaly (QLD)**

- The 3G network is being turned off in June 2024 and is being replaced with the 4G network. Telstra is committed to providing a 4G equivalent network and is working very hard to ensure this happens. They are wanting to hear from all communities across Councils for feedback and on-ground intelligence as to where the connectivity problematic areas will be.
- The growth in data demand has been extraordinary, up 30%/year. The network is congested and the 5G network capabilities is much better for data transmission. The intention is to provide the 850mhz spectrum band width of the 5G network to the 4G network.
- Backhaul data transmission is being reviewed because it has capabilities that can be made more efficient, enabling the 5G network to have better functionality. The use of low orbit satellites for backhaul can allow more capacity on the tower network and could be a game changer for Telstra.
- To deliver this connectivity, Telstra are needing to partner with other telecommunication operators such as Starlink and WaveConn and we will see packages roll out with Telstra branding but with these partner organisation mechanics.
- Areas are broken into clusters and each cluster will need to be signed off for transmission equivalence. This requires detailed feedback to Telstra and they are reaching out to Councils to facilitate this. They are asking to partner with Councils to develop connectivity area plans. They need the number, name, location and time of the transmission. Users of Eftpos machines need to check their machine compatibility. Yagi antennas can either be 3G or 4G – if the bars are standard length they are 3G and if different lengths, they are 4G. All this information needs to be fed back to Telstra so that connectivity is the absolute priority.
- Presentation is attached.

**2) Liveability – Moree Plains**

**a. Housing (GRC)**

- Goondiwindi Regional Council is developing multi-dwelling proposals. There are new development areas being opened and they are waiting to see the uptake of these new blocks.

- All Councils are looking for housing opportunities. Empty houses could be better utilised and incentives to do this are being explored.

**b. Health (Tenterfield)**

- NSW Health has a funding commitment to safer staffing levels and it is hoped that this will impact local health areas and the staffing of hospitals.

**c. Policing / Crime Prevention (GRC & Moree)**

- Danny Lester was unable to attend but this topic was discussed at length at the meeting in Moree on the 9<sup>th</sup> Nov 2023. The presentation from Red Earth on Agency Service Providers commissioned by Moree Plains Shire Council was particularly thought provoking and MPSC has agreed to ask Red Earth to deliver these finding to the next meeting of BROC in Brewarrina.
- The prospects of a judicial bubble for crime and policing was brought up with the Commissioner and it was asked that this item be included in any high-level strategic MOU discussion with QLD.
- While crime statistics have improved for the GRC & MPSC regions, over the October long weekend there was a terrible wave of incidents involving 10 offenders. All of these individuals have been caught and the Police need to be commended for their actions. Very encouragingly, the judiciary system is supporting the Police and delivering outcomes that is hindering further crime incidents. Consequently, these matters have most recently improved significantly.

**3) Infrastructure – Gwydir**

**a. Road Network (Gwydir)**

- The NHVR Bethany Magil & Cristian Pardo were on Zoom to respond to road network items. They are aware they need to renew & develop new notices for cross border logistics, ie, they need truck combinations to suit both state requirements.
- There is a safety & productivity focus for NHVR and there is opportunity for industry to contribute to the investigation and provide insights for cross border issues.
- Gwydir will detail the road network issues and forward to NHVR for the next meeting so they can respond.

**b. Transport (Southern Downs)**

- Nil

**c. Water (Balonne & Inverell)**

- The MDA meeting was in early November and encouragingly Region 11 which covers Northern NSW has welcomed Inverell, Armidale, Moree & Gwydir as new members. This strengthens the advocacy of Region 11. As well, the national MDA conference for 2024 has been awarded to Tamworth in July. This gives an opportunity to BROC to collaborate with MDA and promote issues of shared

relevance. BROC will consider how to contribute to the conference for the next meeting.

- Balonne is a part of region 12 of the MDA and is particularly concerned for the changes in legislation being considered by the Federal Government. The 'Restoring the Rivers Bill' is expected to pass through the Senate in Dec 2023 which will mean 450GL water will be legislated to be reclaimed from the productive pool of the Murray Darling Basin for environmental benefits. Balonne experienced huge economic impacts after the last round of water buybacks which is why there is great concern for the impacts of this next round. Both the Mayor of Balonne and Gunnedah attended the Senate Estimates Inquiry and felt very despondent with the relevant ministers leaving the room during their presentation. Particularly concerning for Balonne was the notification that the myriad of water saving projects proposed by their region, were knocked back by the review meaning that water will have to be recovered from their productive pool. Balonne will come back to BROC with some suggestions as to how BROC can assist to advocate for water policy change and understanding. Ensuring the water is available for critical human needs is a priority.

**4) Disaster Management – Balonne**

**a. Agency Co-ordination (Balonne)**

- Mr Chris Mitchell promoted another cross border disaster management exercise for 2024.
- The LEMO and REMO groups need to provide better ways to share data and information and there needs to be improved mapping for cross border regions so that disaster management can function more effectively.

**b. Bio-security (Balonne)**

- There are a number of biosecurity threats that need greater investigation particularly fire ants and the wild dog barrier fence.
- These 2 issues will be brought back to the next meeting and the environmental officers for Biosecurity from both QLD & NSW will be invited to address BROC at a future meeting and assess these issues in depth.

**8 AGENCY UPDATES**

**LG NSW – Darriea Turley, President and David Reynolds, Chief Executive**

- The annual conference is in November and we are all looking forward to it.
- There are constant challenges with rate pegging in NSW which QLD LG is not subject to. In NSW the percentage with which Councils can increase their rates is capped and is making it very difficult for Councils to cover the huge increases in operation costs that they are experiencing.
- Cost shifting from the State Government to Local Government is constant and is something we are always pushing back on.
- The Country Mayors Association is working very hard to address the high rates of crime being experienced in regional and rural communities and have a motion for debate at the annual conference.

- Health issues are a top priority. Independent MP Dr Joe McGirr is chairing the inquiry into NSW Health and how they can deliver health services to the regions better. There have been some excellent submissions received and Councils are commended for their efforts in responding.
- Housing opportunities are always being assessed.
- Alternatives to fund the road network is always strongly advocated for.
- The ownership of water assets has been on the table but Minister Rose Jackson has stated that these will remain in the hands of local government.

**Jo Tait and Naomi Tonscheck, Inland Rail**

- The review has been completed and Inland Rail has new board members.
- South of Parkes has been prioritised and is due for completion.
- North of Parkes is at the approvals stage and acquisitions are in the final stages.
- North Star to the Border has some approvals however remains unfunded.
- North of this into QLD is still having environmental analysis being completed and has not progressed.

**Robyn Haig – RDA DDSW**

- The Regional Partnership Fund worth \$500K-\$5M is a new funding source available for projects.
- Delivery is for projects between \$5M-\$50M and projects that reach beyond their own local government areas and collaborations will be prioritised. Balonne brought the funding of aerodromes to attention and asked for this to be addressed. Renewable energy projects are applicable and GRC are investigating this.

**Nathan Axleson – RDANI NSW**

- There has been a change with how the NSW government works with the RDA. The fast tracking of 491 visa applications used to be in the hands of the RDA but has been taken back by the Dept of Immigration and are being done in-house.
- The numbers of skilled migration has been shrunk considerably. There used to be 5,000-6,000 skilled migrants entering Australia and this is now 1000 mainly because the processing system is so slow and cumbersome.
- RDA has done its own DAMA and has been bringing in migrants via this channel successfully.
- They are currently working on a blackspot and mobile report for government.

**Ann Leahy MP – QLD Shadow Minister**

- QLD fortunately doesn't have rate capping.
- Voting data bases are not up to scratch and need to be assessed.
- The Councillor complaints system has been under investigation and has been improved.
- The community of Tara has been decimated by fire and lost 50 homes. This has had a huge impact on community and her offices are trying to address this and provide support where possible. The Reconstruction Authority is working very well.
- The spread of Fire Ants is a risk to biosecurity and needs to be addressed. BROCC has agreed to investigate.

**9 CORRESPONDENCE**

**9.1 INWARDS**

- ARTC Inland Rail – acknowledgment letter re Narrabri to North Star (N2NS) Project
- Senator the Hon Anthony Chisholm – Mungindi Community Preschool

- Bank Statements and Fixed Term Certificate – National Australia Bank & Warwick Credit Union

## 9.2 OUTWARDS

- LGAQ – Extending Standing Invitation to address BROCC meetings
- LGNSW - Extending Standing Invitation to address BROCC meetings
- Cross Border Commissioner – Extending Standing Invitation for alternate officer to address BROCC meetings
- Minister Home Affairs – Support for DAMA Agreements
- The Hon Grace Grace MP – Occupational Licenses (request to sign National Agreement)
- The Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development & Local Government – Inland Rail (Completion of the Narrabri to North Star Project – Section 2C of N2NS Phase 1 and N2NS Phase 2)

*RESOLVED (Goondiwindi Regional/Southern Downs) that the Inwards and Outwards correspondence be received and noted.*

CARRIED

## 9.3 MATTERS ARISING FROM CORRESPONDENCE

Nil.

## 10 FINANCIAL REPORT

### 10.1 TRANSACTIONS

#### National Australia Bank – 69-022-2187

Opening Balance as at 12 July 2023	<b>\$20,954.38</b>
Interest	<b>\$0.52</b>
23/24 Membership – Bourke Shire Council	<b>\$500.00</b>
Balance as at 11 July 2023	<b>\$21,454.90</b>

#### National Australia Bank – Term Deposit 42-388-8697

Lodged 27 December 2022 for 12 months @ 3.75%	<b>\$10,583.97</b>
Maturity Date – 27 December 2023	

#### Warwick Credit Union – Fixed Term Deposit 100005924

Reinvested 22 April 2023 for 12 months @ 3.75%	<b>\$ 11,559.83</b>
Maturity Date – 22 April 2024	

*RESOLVED (Moree Plains/Bourke) that the Financial Report be accepted.*

CARRIED

### 10.2 MATTERS ARISING FROM FINANCIAL REPORT

Nil.

Draft Memorandum of Agreement

At this juncture, the time being 1.30pm the Chairperson invited Simone Talbot, SWROC to address BROCC on a draft Memorandum of Agreement that encompasses all BROCC Councils.

Ms Talbot advised that this draft document seeks to strengthen the collaboration that already exists. It summarises short term priorities and outlines a number of activities to progress.

Cr Dight thanked Simone for preparing the draft agreement.

**11 ITEMS LISTED****11.1 MEMORANDUM OF UNDERSTANDING SIGNING**

*RESOLVED (Moree Plains/Goondiwindi Regional) that:*

- i) *BROCC note the signing of Memorandums of Understanding at today's meeting between the following Councils:*
  - *Bourke Shire Council & Paroo Shire Council; and*
  - *Paroo Shire Council & Brewarrina Shire Council.*
- i) *BROCC note that Memorandums of Understanding were signed prior to today's meeting between the following Councils:*
  - *Balonne Shire Council & Brewarrina Shire Council; and*
  - *Moree Plains Shire Council & Goondiwindi Regional Council.*

CARRIED

**11.2 BROCC CONSTITUTION / TERMS OF REFERENCE**

*RESOLVED (Moree Plains/Goondiwindi Regional) that the BROCC Constitution be amended as follows:*

- i) *Clause 3*

*Strategic Priority Areas (SPA) - the Strategic Priority Areas for the organisation include:*

<b>Strategic Priority Area</b>		<b>Encompassing</b>
1	ECONOMIC DEVELOPMENT & TOURISM	Industry
		Digital Connectivity
		Tourism
2	LIVEABILITY	Health
		Housing
		Education

		<i>Policing / Crime Prevention</i>
3	<i>INFRASTRUCTURE</i>	<i>Road Network</i>
		<i>Transport</i>
		<i>Water Security, Urban &amp; Waste Water</i>
4	<i>DISASTER MANAGEMENT</i>	<i>Agency Coordination</i>
		<i>Biosecurity</i>

ii) *Clause 5*

*Members*

*Membership of the organisation be amended to include Bourke Shire Council as a member council.*

CARRIED

**12 ACTION ITEM LOG**

*RESOLVED (Moree Plains/Goondiwindi Regional) that:*

- i) the Action Item Log be received and noted: and*
- ii) the following items be removed from the Action Log:*
  - i) Memorandums of Understanding*
  - ii) Telstra Invitation to Address BROCC*
  - iii) Transport Networks – Invitation for NHVR to Address BROCC*
  - iv) Telecommunications Connectivity – Invitation for Telstra/Field Solutions to Address BROCC*
  - v) Strategic Priority Areas – Amendment to Constitution*
  - vi) LGAQ/LGNSW/Cross Border Commissioner*

CARRIED

**15 NEXT MEETING**

Cr Dight thanked Tenterfield Shire Council for hosting this meeting and confirmed that the next Ordinary meeting will be held in Brewarrina (hosted by Brewarrina Shire Council) on Friday 9 February, 2024 commencing at 9am local time.

**16 MEETING CLOSED**

There being no further business the meeting closed at 1.50pm.



**MINUTES OF THE BORDER REGIONAL ORGANISATION OF COUNCILS ANNUAL GENERAL MEETING HELD AT THE TENTERFIELD SHIRE COUNCIL CHAMBERS, 247 ROUSE STREET, TENTERFIELD (TENTERFIELD SHIRE COUNCIL) ON FRIDAY 10 NOVEMBER 2023 COMMENCING AT 9.00AM (LOCAL TIME).**

**Attendees:**

Balonne Shire Council	Cr Samantha O'Toole
	Matt Magin
Bourke Shire Council	Cr Barry Holman
	Leonie Brown
Brewarrina Shire Council	Cr Vivian Slack-Smith *
	David Kirby *
Bulloo Shire Council	Donna Hobbs *
Goondiwindi Regional Council	Cr Rob McKenzie
Gwydir Shire Council	Cr John Coulton
	Cr David Coulton
Inverell Shire Council	Cr Kate Dight (Chairperson)
	Sharon Stafford
Moree Plains Shire Council	Cr Lisa Orchin
	Kelvin Tytherleigh
Paroo Shire Council	Cr Suzette Beresford
	Tony Koch
Southern Downs Regional Council	Cr Vic Pennisi
	Cr Andrew Gale
	Dave Burges
Tenterfield Shire Council	Cr Bronwyn Petrie
	Cr John Macnish
	Glenn Wilcox

**Also in Attendance:**

QLD Police Service	Chris Mitchell
Member for Warrego	Hon Ann Leahy MP *
Cross Border Commission	Kalina Koloff *
	Kellie Urquardt *
RDA Darling Downs/South West QLD	Robyn Haig
RDA Northern Inland NSW	Nathan Axelsson *
<b>LGNSW</b>	Cr Darriea Turley *
	David Reynolds *
LGAQ	Sarah Vogler *
ARTC	Jo Tait *
ARTC / Inland Rail	Naomi Tonscheck *
Department Transport QLD	Peter Trim *
Telstra	Scott Mullally
	Ian George
NHVR NSW	Bethany Magill *
NHVR QLD	Jose Arredondo *
	Angela Slagter *
	Cristian Pardo *



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Regional NSW	Tegan Hinchey-Gerard *
The Real Time Initiative	Graeme Brittenden
SWQROC	Simone Talbot *

\* denotes attendance via Zoom

**1 MEETING OPEN**

**2 ACKNOWLEDGMENT OF COUNTRY & WELCOME**

Cr Bronwyn Petrie, Mayor, Tenterfield Shire Council performed an Acknowledgement of Country and extended a warm welcome to delegates and invited guests.

**3 APOLOGIES**

*RESOLVED (Goondiwindi Regional/Moree Plains) that the following apologies be accepted:*

<i>Bulloo Shire Council</i>	<i>Cr Tractor Ferguson</i>
<i>Goondiwindi Regional Council</i>	<i>Cr Lawrence Springborg &amp; Carl Manton</i>
<i>Walgett Shire Council</i>	<i>Megan Dixon</i>
<i>Paroo Shire Council</i>	<i>Cassandra White</i>
<i>Moree Plains</i>	<i>Cr Mark Johnson</i>
<i>Member for Northern Tablelands</i>	<i>Hon Adam Marshall MP</i>
<i>RDANI</i>	<i>Russell Stewart</i>
<i>Member for Lismore</i>	<i>Hon Janelle Saffin MP</i>
<i>QLD Dept Premier &amp; Cabinet</i>	<i>Matthew Gregg</i>

CARRIED

**4 CONFIRMATION OF MINUTES**

**4.1 MEETING MINUTES – 1 DECEMBER 2022**

*RESOLVED (Moree Plains/Southern Downs) that the minutes of the Border Regional Organisation of Councils Annual General Meeting held in Goondiwindi (Goondiwindi Regional Council) on 1 December, 2022 as circulated to members, be confirmed as a true and correct record of that meeting.*

CARRIED

**4.2 MATTERS ARISING FROM THE MINUTES**

Nil.

CARRIED

**5 CHAIRPERSONS REPORT**

Cr Kate Dight presented the Chairperson's Report.

*'In planning this report I reflected back on 2022. What a land of extremes we inhabit! This time last year we were just finishing with the 4<sup>th</sup> flood for the year. As I write, most of our Council areas are alight with fire at some location, the RFS are doing an incredible job keeping our communities safe and we are all concerned for water supply and storages.*

*The Border Region of Council Organisation has had a busy year. We have been productive, advocating for issues encompassed by 4 main strategic pillars;*

- ❖ *Economic Development & Tourism,*
- ❖ *Liveability,*
- ❖ *Infrastructure and*
- ❖ *Disaster Management.*

*During my term as Chairperson, we have been streamlining and establishing direction and purpose for BROC to make our organisation as effective and efficient as possible. Initially we constructed multiple areas of strategic intent but as the process developed, we have minimised these to those mentioned. The contribution from the whole group in supporting these Strategic Priority Areas (SPA) has been excellent and I commend and thank you all for your involvement.*

*We began the year at Inverell where we were fortunate to hear from the New England Tablelands Member of Parliament, Mr Adam Marshall. With NSW Councils significantly impacted by challenges of the NSW Health system, he made an encouraging announcement with the introduction of the Single Employer Model (Murrumbidgee Model) to provide health clinicians to our communities. BROC has been advocating for more doctors and nurses to serve our regional communities for some time and to hear of this progress was very welcome. As with all these significant changes, implementation is still in motion and our advocacy for improved health services must continue.*

*At this meeting we also heard from leading arms of the SES which significantly progressed the flow of information for the Disaster Management coordination of services. This paved the way for the BROC Disaster Management Conference in St George. This was coordinated by A/Senior Sergeant, Executive Officer, Dalby & Roma District Disaster Management Groups, South West District, Mr Chris Mitchell and was a highlight of the year. It uniquely brought together all key Disaster Management agency organisations and key personnel from both NSW & QLD not done so before (to my knowledge). The professional relationships and connections that were formed have become integral to the functionality of Disaster Management for the border regions. We are very grateful for Mr Mitchell's driving force and going forward we fully support the collaboration and hope that it continues.*

*In May we met at St George and were treated to a networking dinner sponsored by Leading Roles Recruiters which was a new initiative and one that I hope continues. The change in pre-school services at the border town of Mungindi was brought to our attention. I am very pleased to inform you all that due to the extensive collaboration of Balonne & Moree Plains Shire Councils, and support from BROC & other organisations, this issue has been resolved and Mungindi has been awarded federal funding to build a new pre-school to cater for this demographic. Goondiwindi RC brought communication networks to the table and the Cross Border Commission has since funded a telecommunication infrastructure build in the region.*

*Finally, we were hosted by Paroo Shire Council in Cunnamulla in August. It is always inspiring to see how other Councils grow their regions and their new Hot Springs development on the banks of the Paroo River is fantastic. The revitalisation of the community after a decade of downturn is particularly difficult and Paroo Council is certainly swinging the pendulum in the right direction through lots of strategic hard work. It was very pleasing to formally welcome Brewarrina and Bourke Shire Councils to BROC, taking our membership to 12. Now all Councils along the QLD and NSW border are represented via this Cross Border organisation which gives strength to member councils as well as to our collective advocacy.*

*We continue to hear regularly from:*

- *The NSW Cross Border Commission,*
- *Members of State Parliaments of NSW & Qld, Mr Adam Marshall & Ms Ann Leahy,*
- *SES, RFS, NSW Reconstruction Authority,*

- ARTC & Inland Rail,
- The Commonwealth Office of Environmental Water,
- RDA DDSW and RDANI NSW, and
- Transport NSW & Qld Dept of Main Roads

*All organisations contribute to our meetings, and I thank their representatives most sincerely. The flow of information provided by them generates collaboration which is critical to BROCC. By way of update, with the change of government in NSW in 2023, the Cross Border Commission has been undergoing restructure and there is a new Acting Commissioner, Ms Kalina Koloff. She has worked with Local Government previously and we welcome her to the role and to BROCC, recognising that the Commission plays a critical role in overcoming the myriad of cross-border issues.*

*I would like to sincerely thank my Vice Chair Mr Rob McKenzie for his support of BROCC and for my role as Chairperson and Ms Sharon Stafford for her meticulous secretarial services and coordination of us all. The organisation has undergone structural change this year and they have both been fundamental in supporting me to deliver this outcome.*

*I do believe we have an improved organisation which can efficiently identify issues, advocate for outcomes, and meet our community needs. The effort you all make to attend these meetings in person is valued and I believe makes us unique and effective. As always this is a team and I value the active contribution from you all. Going forward, I urge you to bring issues to the table, capitalise on the momentum that we have successfully built and utilise the organization to its fullest capacity'.*

*RESOLVED (Inverell/Goondiwindi Regional) that the Chairperson's report be received and accepted.*

CARRIED

## 6 AUDITED FINANCIAL REPORT AS AT 30 SEPTEMBER 2023

The Audited Financial Report as at 30 September, 2023 comprises of the following:

- Statement of Income & Expenditure for the Period 1 October 2022 to 30 September 2023.
- Statement of Assets & Equity as at 30 September 2023.

*RESOLVED (Gwydir/Balonne) that:*

- a) *the meeting notes that the Constitution requires the financial report to be distributed 21 days before the Annual General Meeting and that this was circulated on 20 October 2023; and*
- b) *the Audited Financial Statements be accepted.*

CARRIED

## 7 ITEMS LISTED

### 7.1 ELECTIONS

#### Election of Chairperson

Cr Dight vacated the Chair.

Cr John Coulton acted as Returning Officer.

Nominations were called for the election of Chair.

**Cr Orchin** nominated Cr Kate Dight (Inverell Shire Council) – nomination accepted.

There being no further nominations, Cr Kate Dight was declared elected as Chair.

#### **Election of Deputy Chairperson**

Nominations were called for the election of Deputy Chair.

**Cr Dight** nominated Cr Rob Mackenzie (Goondiwindi Regional Council) – nomination accepted.

There being no further nominations, Cr Rob Mackenzie was declared elected as Deputy Chair.

#### **Election of Secretary/Treasurer**

The BROC Constitution states that the Chairperson and Secretary/Treasurer will be the Councillor and staff delegate of the same council.

Accordingly, Sharon Stafford (Inverell Shire Council) was declared Secretary/Treasurer for the ensuing year.

Cr Dight resumed the Chair.

### **7.2 MEMBERSHIP FEES**

*RESOLVED (Gwydir/Paroo) that the 2023-24 membership fee remain at \$500 per member Council per year.*

CARRIED

### **7.3 MEETING DATES & TIMES**

Meeting Dates for 2024 - generally speaking second Friday every 3 months (9am local time)

- 9 February 2024 – Brewarrina (Brewarrina Shire Council)
- 10 May 2024 – Southern Downs (Southern Downs Regional Shire Council)
- 9 August 2024 – Walgett (Walgett Shire Council)
- 15 November 2024 - Goondiwindi (Goondiwindi Regional Council) AGM & Ordinary)

Meeting Dates for 2025 - generally speaking second Friday every 3 months (9am local time)

- 14 February 2025 – venue to be confirmed
- 9 May 2025 – venue to be confirmed
- 8 August 2025 – venue to be confirmed
- 14 November 2025 - venue to be confirmed (AGM & Ordinary)

*RESOLVED (Goondiwindi Regional/Moree Plains) that:*

- i) *the meeting dates and times for 2024 & 2025 be accepted; and*
- ii) *the proposed venues for the 2025 meetings be considered at the February 2024 meeting.*

CARRIED

### **8 GENERAL BUSINESS**

Nil.

### **9 NEXT AGM**

15 November 2024 at Goondiwindi (Goondiwindi Regional Council).

Border Regional Organisation of Councils AGM – 10 November 2023

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**10 MEETING CLOSED**

There being no further business the meeting closed at 9.25am.

**6.2 LGNSW ANNUAL CONFERENCE 2023****File Number:** S14.3.13 / 23/41015**Author:** Cr Paul Harmon, Mayor**SUMMARY:**

The 2023 LGNSW Annual Conference was held at Rosehill Gardens on 12 – 14 November 2023. Council is being asked to receive and note the report.

**RECOMMENDATION:**

*That the report on the 2023 LGNSW Annual Conference held at Rosehill Gardens on 12 – 14 November 2023 be received and noted.*

**COMMENTARY:**

The LGNSW Annual Conference was held at Rosehill Gardens on 12 – 14 November, 2023. Cr Kate Dight, Brett McInnes (General Manager) and I attended and were accompanied by Cr Di Baker, in her capacity as Chairperson of the NSW Branch of the Australian Local Government Women's Association.

In excess of 940 delegates attended this year's Conference. Debate around conference motion was condensed to one day. Unfortunately, this meant a number of important motions, particularly for regional based Councils were not able to be debated. These motions are subsequently considered by the Motions Committee of the LGNSW Board. Management have undertaken to follow up on these motions and report back to Council.

Pleasing for Council our motion to seek a commitment from the Federal Government to exclude an order to cull the national livestock herd as part of any greenhouse emissions reduction program was supported.

The conference also included addresses from the Minister for Local Government, Ron Hoenig MP, Cr Linda Scott, President of the Australian Local Government Association, Carmel Donnelly PSM – Chair of IPART and Mark Speakman MP – Leader of the Opposition.

Elections held during the conference resulted in Cr Darriea Turley being re-elected as LGNSW President along with six new Directors joining 12 who have been re-elected to the Board.

A highlight of the conference is the presentation of LGNSW Service Awards which acknowledge the duration of service of an elected member. I am pleased to note Cr Di Baker was presented with a framed certificate in recognition of 25 years of service and Cr Stewart Berryman recognised with a framed certificate in recognition of 15 years of service.

The Resolutions and Record of Decisions from the conference have been circulated under separate cover for the information of Council. LGNSW are currently using the resolutions passed at the conference to update their policy platform and formulate advocacy priorities for 2024.

**ATTACHMENTS:****Nil**

**6.3 COMMUNITY HEALTH FORUM - NOVEMBER 2023****File Number:** S24.20.5 / 23/40973**Author:** Wendy Wilks, Cr**SUMMARY:**

Cr Wendy Wilks convened the seventh Community Health Forum to scope the critical issues impacting the provision of health services in this Shire. This report summarises the discussions held at this meeting.

**RECOMMENDATION:**

*That the report be received and noted.*

**COMMENTARY:**

Over the past 12 months Council has noted an increased level of debate on the state of Australia's 'health care' services and noted with concern that various matters raised indicate that the system is under stress. As a result, Council is interested in gaining an understanding of the state of our local 'health services'. The outcome would be to identify the issues and a set of solutions that could form the basis of an advocacy program for Council to pursue.

To enable Council to formulate an advocacy position, Cr Wendy Wilks convened a Community Health Forum to scope the critical issues impacting the provision of health services in this Shire. The seventh forum was held on 21 November 2023 and the following community representatives attended the meeting:

**PRESENT:** Cr Wendy Wilks (Chair), Andrew McIntyre, Bob Bensley, Shayne O'Brien, Cr Joanne Williams, Cr Kate Dight, Debbie McCowen, Rosie Bloch, Cheyenne Moody (PHN) and Greg Powell.

**IN ATTENDANCE:** **Via Zoom** – Estrella Lowe and Jeremy Mitchell, Rural Doctors Network (RDN).  
Paul Pay (Director Corporate and Economic Services, Inverell Shire Council).

**APOLOGIES:** Hadana Surgery, David Maddigan, Chris Voll, John Williams, Dr Steve McGilvray and Dr Cheryl McIntyre.

**SCOPING OF HEALTH ISSUES**

Wendy introduced Estrella Lowe and Jeremy Mitchell from RDN. Both Estrella and Jeremy made a short presentation to the Committee about how RDN helps to recruit doctors to rural NSW.

**Registrars**

- Grants for Registrars are available through Royal Australian College of General Practitioners (RACGP) and Australian College of Rural and Remote Medicine (ACRRM) and they have taken over placing registrars. Despite this, only limited registrars came to our region last year and currently there are no registrars scheduled for next term.
- Armajun, Inverell Medical Centre and St Elmo have all attracted Registrars in the past.
- Even though there are \$15,000 grants available, only 4 or 5 registrars applied for the entire New England Region. We need to be doing more lobbying to attract more Registrars.

- 60 Registrar positions in the south and no applications in two years.
- Registrars can choose what location they apply for. Currently there are more medical practices looking for Registrars than there are Registrars.
- ACCRM is establishing more medical centres that can take on registrars, however, these medical centres must be accredited by Australian General Practice Accreditation Limited (AGPAL), for Quality assurance.
- The pool of Registrars continues to shrink for our region. One contributing factor is medical students need to go back to Newcastle in their fifth year. This ensures that Newcastle University continues to get their funding. We need a better agreement between the Universities.
- After MDRAP there is medical graduates who go on to a training program and they are allowed to have the higher Medicare rebate and that continues whilst they are on ACCRM or RACGP.

### **International Doctors**

- International Doctors are coming on the More Doctors for Rural Australia Program (MDRAP) through RDN as they need them to get registration. They need to be supervised and this is a temporary holding position until they can get on one of the training programmes with FPS RACGP or through the registrar programme or the independent pathway in ACCRM.
- Depending on the skills and accreditation of the international doctor, a doctor from the local practice needs to supervise the international doctor while they are further trained. This limits the supervising doctor's ability to see patients. This is to ensure new international doctors meet Australian standards.
- RDN recruit GPs to Rural NSW and the bulk are international medical graduates and we administer the MDRAP.
- Local practices spend a lot of effort and resources. The paperwork is enormous and they don't stay. Where international doctors have family in the cities they will come out to rural areas for 5-7 years and after that can move anywhere, usually back to the cities.
- Is there any funding to employ locum doctors to supervise international doctors? RDN is not aware of any funding. Should we be lobbying for this type of funding?

### **Single Employer Model**

- Model was designed for Murrumbidgee to fix the shortage and it worked for them.
- Need buy in from GP practices and they need to be in the Hospital program.
- At this stage it's only been a register of interest and they have to have a supervisor at the Hospital.
- One is going to Moree next year. Moree are classified under the Modified Monash Model (MMM) as MMM5. Inverell is MMM4.
- We were supposed to get four doctors to this region as per advice from the Hon Adam Marshall.
- HNE control the process of recruitment.

### **Parliament Submission**

Inverell's health forum was invited to present to the Legislative Assembly Select committee on Remote, Rural and Regional Health from 4pm to 5pm on Friday 24 November, 2023.

The Committee discussed what issues should be raised throughout the presentation. These include:

1. Fears our hospital is being downgraded and our classification needs review;
2. Evenly distribute Registrars. Lobby for rural and remote to get their share;
3. Inverell Hospital - What the Doctors can do and the support staff they need;
4. Need 8 Dialysis chairs & nurses to support, Obstetrics and Oncology in Inverell.
5. Minimum expectation is 1 Doctor 24/7 at least and the nursing staff to support that.



6. Lobby for Single Employer Model for Registrars.

### **The Bush Bursary Program**

Cr Jo Williams provided an update on the Bush Bursary Program.

- Two medical students have elected to visit Inverell under the Bush Bursary Program.
- The Inverell Medical Centre and Armajun Medical Centre will host the visitors.
- Kath Randall has authorised them to go to Inverell District Hospital.
- They arrive in Inverell on 10 December 2023.
- Their placement starts on 11 December 2023 and finishes on 23 December 2023.
- Rosie Bloch volunteered to be a billet and will confirm later.
- They will have their own transport.
- Alexandra is from Cairns, studying in Melbourne but looking to get into Rural life eventually and escape the city.
- Boy Yarran interested in dermatology and GP.

### **General Business**

- The Question was asked – “is it right that individuals cannot be admitted to hospital if they don’t have a treating doctor?” Many locals cannot get onto a doctor’s list. This validity of this scenario needs to be checked.
- The model used by Dr Owen Boyd was discussed. This is good in a place where you cannot get a resident GP and his model revolves around virtual health. He goes to a town 2-3 days a month and offers telehealth services the rest of the time.
- RDN were asked how did they help Gunnedah? One of the key findings from the Gunnedah experience was all towns have a shortage of medical staff and all towns are competing against each other. The towns that do best are those working together as you are doing in Inverell. A collaborative group of organisations put together a destination of choice program for Gunnedah. Inverell can do the same - why would Inverell be a great place to choose for a GP to come and practice?
- RDN recommended that the committee define what are we really looking for. How many and what skills, e.g. Anaesthesia, Nurse Practitioners, Obstetrics and so on. We need HSM of local hospital or General Manager at the table to decide what we need. Doctors don’t just work in their clinics.
- Discussion on how we can thank our valuable medical staff. E.g. “The community wants to thank you for your service”. Options include:
  - Send cupcakes to the Hospital
  - An evening at the Welders Dog for all
  - Social occasion for the Nurses and midwives. It was noted we have a shortage of midwives.

Options to be discussed at the next meeting.

- NSW Ambulance is a single employer model. You accept you will be sent anywhere in the first two years. Your first appointment could be Sydney, Mungindi or Coleambally but you are appointed and under award conditions.
- Anyone wishing to report complaints or share stories from our hospital can do so via NSW Health Care Complaints Commission. Alternatively, the same complaints and stories can be sent to Paul Craven at HNE. Committees are now establishing, and this will enable what happens in our hospital to get to the main Executive team.

- Statistics are showing a significant increase in people going to the Hospital because there are insufficient doctors to service the patients. Thus, hospitals are taking the burden of primary health care. This means that the State Government (who are responsible for hospitals) are paying for a Federal responsibility. The Federal Government is responsible for primary health care. Regional Councils are stepping up to find solutions.
- The changes to bulk billing were discussed.
- Armajun has the capacity to take on two more doctors. They currently have a wait time of 3-6 weeks.
- Inverell Medical Centre has the capacity to take on two (2) more doctors.

The next Community Health Forum is scheduled for 12 December, 2023 at 2.00pm.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil

**LEGAL IMPLICATIONS:**

Nil

**ATTACHMENTS:**

Nil

**7       NOTICES OF BUSINESS**

Nil

**8       QUESTIONS WITH NOTICE**

Nil

## 9 COMMITTEE REPORTS

### 9.1 AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES - 14 NOVEMBER 2023

**File Number:** S4.11.21 / 23/40755

**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 Tuesday, 14 November, 2023.

**RECOMMENDATION:**

*That the minutes from the Audit Risk and Improvement Committee meeting held on Tuesday, 14 November, 2023 be received and noted.*

**COMMENTARY:**

**MINUTES OF INVERELL SHIRE COUNCIL  
AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING  
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,  
INVERELL  
ON TUESDAY, 14 NOVEMBER 2023 AT 10.00AM**

**PRESENT:** Mr Phil Schwenke (Independent Member) – Chair and Mr Les Hullick (Independent Member).

**ATTENDANCE:** Mr Paul Pay (Director Corporate and Economic Services), Michael Kharzoo (NSW Audit Office), Cathryn McFarland (Forsyths) via Zoom for Items 6.1 and 6.2 and Kristy Paton (Corporate Support Officer) – minutes.

## 1 APOLOGIES

Cr Nicky Lavender.

## 2 DISCLOSURE OF CONFLICT OF INTERESTS/PECUNIARY AND NON-PECUNIARY INTERESTS

Nil

## 3 CONFIRMATION OF PREVIOUS MINUTES

**COMMITTEE RESOLUTION**

Moved: Mr Les Hullick (Independent Member)

Seconded: Mr Phil Schwenke (Independent Member)

*That the Minutes of the Audit Risk and Improvement Committee Meeting held on 26 September, 2023, as circulated to members, be confirmed as a true and correct record of that meeting.*

**CARRIED**

## **4 INFORMATION REPORTS**

### **4.1 INTERIM MANAGEMENT LETTER 2022/2023 S4.11.21**

#### **SUMMARY:**

This report is for information. It provides details of the Interim Management Letter 2022-23 received by Council.

The Interim Management Letter was discussed briefly by the Committee.

### **4.2 QUARTERLY BUDGET REVIEW PERIOD AS AT 30 SEPTEMBER 2023 S4.11.21**

#### **SUMMARY:**

Council's Quarterly Operational Plan and Budget Review for September 2023 as reported to Council's Economic and Community Sustainability Committee in November 2023 is provided for the information of the Audit Risk and Improvement Committee.

The Committee noted the information.

### **4.3 COUNCIL'S PERFORMANCE REPORT - STATECOVER MUTUAL S4.11.21**

#### **SUMMARY:**

Statecover Mutual has provided a summary report of the Mutual's performance and Inverell Shire Council's individual performance.

The Committee discussed the report and agreed overall that it is a positive report.

### **4.4 NSW AUDIT OFFICE PERFORMANCE AUDITS S4.11.21**

#### **SUMMARY:**

Update on NSW Audit Office performance audits since June 2023.

## **5 EXTERNAL ACCOUNTABILITY REPORTS**

### **5.1 EXTERNAL AUDIT - AUDITED 2022/2023 FINANCIAL STATEMENTS S4.11.21**

#### **SUMMARY:**

This report is provided for information. The NSW Audit Office has issued an unmodified audit opinion in regard to financial statements of Inverell Shire Council (the Council) for the year ended 30 June, 2023.

<b>COMMITTEE RESOLUTION</b>
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Moved: Mr Phil Schwenke (Independent Member)

Seconded: Mr Les Hullick (Independent Member)

*That the Committee note the report.*

**CARRIED**

## **5.2 PRESENTATION OF THE 2022/2023 ENGAGEMENT CLOSING REPORT S4.11.21**

### **SUMMARY:**

Council's auditor, Audit Office of New South Wales, have now completed their audit of 2022/2023 accounts. A representative from either the NSW Audit Office or Forsyths Chartered Accountants, will present the Engagement Closing Report to the Committee.

Mr Schwenke referred to the following in the Closing Report and queried whether or not the closing report should be also provided to Councillors. Noting that Councillors are charged with Governance.

*Attached is the Engagement Closing Report, which details findings relevant to you in your role as one of those charged with governance. This report gives the General Manager, the Mayor and the Audit, Risk and Improvement Committee the opportunity to assess the audit findings, before the representation letter and the Statements by Council and Management, required for the GPFS and SPFS under section 413(2)(c) of the Local Government Act 1993(the LG Act) are signed.*

The following was discussed:

- The report is presented to the ARIC Committee which is a safeguard;
- ARIC can make a presentation to Council or present any issues directly to the General Manager if required;
- Any material changes are presented to Council; and
- Councillors are able to request the documents.

At 11.15am, Mr Michael Kharzoo from the NSW Audit Office and Ms Cathryn McFarland joined the meeting to discuss the Closing Report.

Mr Kharzoo advised the Committee that it was a good result and a 'clean' audit opinion will be issued. Mr Kharzoo spoke about key points in the Report.

### **COMMITTEE RESOLUTION**

Moved: Mr Phil Schwenke (Independent Member)

Seconded: Mr Les Hullick (Independent Member)

1. *That Standing Orders are suspended to allow the NSW Audit Office to present their 2023 audit report.*

On resuming the meeting:

*the information be received and noted.*

**CARRIED**

## 6 LEGISLATIVE COMPLIANCE REPORTS

### 6.1 COMPLIANCE REPORTING S4.11.21

#### SUMMARY:

This report details Council's achievements in meeting the requirements of the Office of Local Government (OLG) compliance calendar. The most recent Strategic Task Council Reports is attached for the Committee's information.

Mr Schwenke asked Mr Pay if there were other compliances that sit outside the Office of Local Government (OLG) Compliance Calendar that are not being captured in this report. Mr Pay advised there are Council Circulars that are issued from the OLG. The Committee agreed to include a regular report in the agenda to be titled: 'Council Circulars Issued since last meeting'. Mr Pay to prepare a report for the next meeting which will include Council Circulars issued since the beginning of the year with ongoing quarterly reports to be included thereafter.

#### COMMITTEE RESOLUTION

Moved: Mr Phil Schwenke (Independent Member)

Seconded: Mr Les Hullick (Independent Member)

*That the Committee note the information.*

**CARRIED**

## 7 GENERAL BUSINESS REPORTS

### 7.1 ARIC MEETING DATES 2024 S4.11.21

#### SUMMARY:

The Committee is asked to consider ARIC meeting dates for 2024.

#### RECOMMENDATION:

Moved: Mr Phil Schwenke (Independent Member)

Seconded: Mr Les Hullick (Independent Member)

*That the Audit Risk and Improvement Committee meet on:*

- i. Tuesday, 12 March, 2024;*
- ii. Tuesday, 11 June, 2024;*
- iii. Tuesday, 24 September, 2024; and*
- iv. Tuesday, 12 November, 2024.*

## 7.2 INTERNAL AUDITS - OUTSTANDING ACTIONS REPORT S4.11.21

### SUMMARY:

The purpose of this report is to provide the Committee with an update on outstanding internal audit recommendations.

Mr Hullick asked for an update on PCM2 – Contractor Management Framework. Mr Pay advised this is still in progress. Safe Systems of Work have been updated and reviewed and are ready for sign off in the future. Procedures have been re-written and are due to be reviewed. When these procedures are adopted it will represent 80% completion of what was flagged in the 2019 Audit. It is hoped this will be completed by June 2024.

Mr Hullick asked about the GFC5 – Fraud Resilience. Mr Pay advised this is 80% complete. It is hoped this will be completed this financial year.

The Committee spoke about recently completed and upcoming Audits.

The DA Assessment and Public Health Function Audits have been deferred. Funds for these Audits have been rolled over.

An Audit on HR Policies and Procedures has recently been completed.

Mr Schwenke noted the following Audits as being flagged:

- Waste Management
- IT Control Environments
- Store Processing and Physical Control
- Rates Review
- Asset Management
- Workplace wellbeing – (in the pipeline)
- WHS (State Cover) – this will be to re-visit the audit that was completed in 2019. Mr Pay advised that whilst in the pipeline the timeline needs to remain flexible as there is no point re-visiting it while there is still outstanding actions from the previous audit.

Mr Schwenke stated it would be helpful to include 'flagged' audits in a table for Committee Members, this will also be useful to new members of the Committee to assist in the transition period. The 'flagged' audits are to be included in a separate table as another attachment to this report.

### COMMITTEE RESOLUTION

Moved: Mr Phil Schwenke (Independent Member)

Seconded: Mr Les Hullick (Independent Member)

*That the Committee receive the report and note the information provided and items CR2, RM2 and RM3 be removed from the action list as completed.*

**CARRIED**



**7.3 OUTSTANDING ACTIONS REPORT S4.11.21****SUMMARY:**

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

The Committee discussed Item 2022.1. There has been no further action or updates. The Committee determined that this item is not feasible at this time and it can be removed from the list.

**COMMITTEE RESOLUTION**

Moved: Mr Phil Schwenke (Independent Member)

Seconded: Mr Les Hullick (Independent Member)

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

**CARRIED****7.4 ARIC ANNUAL REPORT TO COUNCIL S4.11.21/02****SUMMARY:**

This report is to allow the Committee to consider the nature and timing of the Chair's annual report to Council.

**COMMITTEE RESOLUTION**

Moved: Mr Phil Schwenke (Independent Member)

Seconded: Mr Les Hullick (Independent Member)

*Mr Schwenke will start preparing his report and will pre-circulate to members in order to present at the Ordinary Council meeting being held on Wednesday, 13 December, 2023.*

**CARRIED**

## 7.5 ARIC MEMBERSHIP S4.11.21

### SUMMARY:

The membership of three Audit Risk and Improvement Committee members is due to expire 31 December, 2024. The Committee is asked to discuss the new membership requirements under the Risk Management and Internal Audit for Local Government in NSW Guidelines (December 2022) and make a recommendation to Council on the transition to membership under the new guidelines.

The following was discussed:

- Mr Schwenke's membership expires at the end of 2024 but it can be extended to June 2026.
- Mr Hullick is yet to make a decision on his plans after his term expires in December 2024. Mr Hullick has advised the Committee that he does not want to take up the position of Chair.

Historically applications received have been limited. Mr Schwenke suggested Council advertise for expressions of interest sooner with a view to forming a pool from which to choose from, making the transition process smoother. The Committee discussed the Guidelines and queried if this would make it difficult for any local persons to apply.

### RECOMMENDATION:

*Mr Pay to liaise with current members to work out a transition plan with a view to have a report prepared for the February 2024 Ordinary Council meeting and advertising for Committee members to commence in March 2024.*

## 8 OTHER BUSINESS

- Mr Schwenke asked for an ARIC Budget update. Mr Pay to provide.
- Mr Schwenke raised a question to Committee Members regarding the Internal Audit program and timing – is 3 too much? Mr Scwenke asked if 2 internal audits could be completed and then be supplemented by closer attention to the performance audits. Or, if the program continues as 3 being completed per year, it would be more appropriate to complete 2 in the first half of the year and one in the second half. Mr Pay also stated that the Area of audit would determine when they are completed as any finance based audits would be difficult to complete in the latter half of the year.
- Mr Schwenke raised a point about the Guidelines and the need for them to strongly link back to Risk Management standard (AS ISO 31000:2018 Risk Management Guidelines). Mr Pay to obtain a copy of the standard as a Council resource.

## 9 NEXT MEETING

12 March, 2024.

**The Meeting closed at 11.45am.**

### ATTACHMENTS:

Nil

## 10 DESTINATION REPORTS

### 10.1 WALKERS BRIDGE REPLACEMENT

**File Number:** S28.7.18/78 / 23/32890

**Author:** Justin Pay, Manager Civil Engineering

#### SUMMARY:

Council at its meeting on 26 July 2023 resolved that community consultation be undertaken regarding Walkers Bridge replacement, to determine the level of support for a large box culvert option, prior to Council making a final decision. Letters were sent to all affected residents along Red Hill Road outlining the background of Walkers Bridge Replacement and requesting community feedback on Council's alternative option.

#### RECOMMENDATION:

*That the alternative bridge replacement solution of a large box culvert structure on Red Hill Road be approved.*

#### COMMENTARY:

Given the cost implications of a replacement bridge, Council at its meeting on 26 July 2023 resolved to undertake community consultation with the residents along Red Hill Road to obtain their feedback on Council's alternate option of a large box culvert to replace the existing Walkers Bridge. The report presented to Council on 26 July is provided in **Attachment 1**.

Written correspondence was sent out to all residents east of the bridge on Red Hill Road. The correspondence and information in the July report was based on a preliminary design for a 5 cell 2400-millimetre-wide by 1500-millimetre-high precast box culvert structure with a finished deck height 900mm lower than the existing bridge.

17 residents received correspondence with two (2) providing written responses. Of these two (2) responses, both agreed that the bridge needs replacing and agreed with a large box culvert option. One (1) resident raised concern about flooding and the reduced access with a lower level structure in times of flood, whilst the other resident requested that the finished height be at or above the western side approach road. It was also requested that the span of the box culvert units be large enough to minimise the impact of debris built up in times of flood.

Prior to the close of written responses on Friday, 22 September 2023, Council staff undertook a door knock of the residents to confirm they had received the correspondence from Council and to provide an opportunity to voice their concerns or comments verbally. Of the 17 residents 12 were home at the time. The general consensus was that the bridge is in urgent need of replacement and that a large box culvert structure was a suitable replacement option provided it was not too low. Residents were generally excited to finally see some action on the bridge replacement which has been an ongoing issue for many years.

Some residents requested a box culvert level of no lower than 900 millimetres below the existing bridge deck level, and others a level no lower than the existing road level of the western approach. A request for pedestrian access was requested by two (2) residents. Two (2) residents also queried the size of the culvert structure and requested that the cells be large enough to not cause significant impacts from debris backup in times of flood.

Since September, Council staff have engaged contractors to complete further analysis on the proposed structure to ensure the hydrological modeling was accurate and to consider the matters raised by residents during consultation. During this process it was highlighted that an amended design with changed longitudinal profile and use of a 6 cell box culvert (in place of 5 cell) would

increase the waterway area available during flooding, therefore reducing the flood impacts at the site (compared to the 5 cell culvert option). The change in longitudinal profile involves excavation of 700mm to 800mm of embankment over a distance of 40 metres from either side of the existing bridge. The amended design culvert deck height is 800 millimetres below the existing bridge deck level.

This proposed box culvert structure, although lower in height compared to the existing bridge would act as a broad crested weir (typically a spillway) and would minimise flood and debris impacts, improving the flow of water in times of flood. Darby's Creek traditionally rises and falls quickly and is impacted by the flood level and flow of Copes Creek.

This proposed box culvert will be inundated more than the existing bridge. It has been designed for and average reoccurrence interval (ARI) of 5 years compared to an ARI of 8 years for the existing bridge. The hydrological modeling for the amended design indicates that for some larger rain events, the improved flow of water will actually improve access during flooding.

As Red Hill Road is a low volume, low speed road, a separate pedestrian walkway would be cost prohibitive and is not recommended.

Overall the feedback was positive for a large box culvert structure, subject to the size and height of the culvert structure, which the amended design addresses.

If Council was to determine the box culvert option as unacceptable, the possibility exists to apply for further grant funding under other programs in order to construct the more expensive bridge structure. The likely time delay in receiving a response from the relevant grant administration body would almost certainly make meeting the July 2024 deadline impossible. This could put the existing grant funding at risk.

It is recommended that the alternative bridge replacement solution of a large box culvert structure be approved.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil

**LEGAL IMPLICATIONS:**

Nil

**ATTACHMENTS:**

1. Walkers Bridge Replacement Report - July 2023 [📄](#)

**5.2 WALKERS BRIDGE REPLACEMENT****File Number:** S28.7.18/78 / 23/21821**Author:** Justin Pay, Manager Civil Engineering**SUMMARY:**

Council has grant funding available for the replacement of Walkers Bridge. The quantum of grant funding is insufficient to complete the project and alternative options have been investigated. The Committee is being asked to endorse a course of action in response.

**RECOMMENDATION:**

*That the Committee recommend to Council that;*

1. *The alternative bridge replacement solution of a large box culvert structure be endorsed,*
2. *Council undertake community consultation to determine the level of community support for this option; and*
3. *A further report be presented to the Committee on the outcomes of the community consultation so that Council can make a final determination on the project.*

**COMMENTARY:**

Council received \$675,000 of grant funding under the National Bushfire Recovery Agency funding program for the replacement of Walkers Bridge.

Walkers Bridge is a single lane timber structure built in 1966 over Darby's Creek on the eastern edge of the Tingha village on Red Hill Road.

Walkers Bridge is significantly deteriorated and appears to have been neglected of regular and appropriate maintenance for some time. The replacement of the bridge with a modern concrete single lane bridge structure that provides adequate vehicular access for Tingha residents is considered to be the most optimal option. As such full project development was undertaken during 2020/2021 financial year which included:

- Feasibility study
- Geotechnical Investigation
- Survey
- Design
- Environmental Assessment
- Tender
- Project costing analysis

Expenditure on the above works and on maintenance works to keep the current timber structure trafficable have totaled approximately \$140,000. This leaves \$535,000 remaining under the current grant.

Once construction tenders were received and project costing analysis was undertaken it was highlighted that the budget allocation was insufficient to complete the project. Council staff then requested an increase of funding from the grant funding body and an extension of time to complete the project. The State Government department administering the grant took over 18 months to process the request, the result being that no additional funding is available under this grant and the deadline for project completion has been changed to June 2024 (the original completion deadline was June 2022).

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The significant increase in cost versus the initial project estimate is due in part to the geology at the site. Once geotechnical investigations were completed it was evident that more expenditure would be required on foundational work and also on slope/batter protection adjacent to the proposed structure. Unfortunately, during the time that Council was waiting on a response from the grant funding body, unit rates for bridge replacement have increased by two-fold and in some instances up to four-fold. This was due to the State Government's other bridge replacement program and other inflationary factors.

The current estimated cost to construct a modern concrete single lane bridge structure at the site, with the same road height is \$2,200,000. This leaves a significant budget shortfall of \$1,665,000. Given this significant budget shortfall a more cost effective option has been investigated.

The construction of a large box culvert structure at the site is estimated to cost \$910,000, leaving a budget shortfall of \$375,000. This option would have a finished road height of 900mm lower than the existing bridge, this will obviously reduce the flood immunity of the crossing.

This will obviously have an impact on local road users, particularly those who live past Darbys Creek on Red Hill Road. There are 25 properties addressed on Red Hill Road with 14 of those having dwellings. The traffic counts at the bridge are 90 vehicles per day with 5% of those being heavy vehicles.

Hydrological modeling suggests that the current structure (and the initial replacement bridge option) currently provide adequate trafficability up to a rain event equal to Average Recurrence Interval (ARI) 8 years. The proposed large box culvert replacement option has been designed to provide adequate trafficability up to a rain event equal to ARI 4 years. Average Recurrence Interval (ARI) is a representation of probability of a particular rainfall amount for a specified duration being equalled or exceeded in any 1 year period "on the average once in every x years" (an average recurrence interval, or ARI, of x years). As an example, for Melbourne, a rainfall amount of 48.2 mm in 1 hour can be expected to be equalled or exceeded on average once every 100 years. In this case, the ARI is 100 years. It is important to note that an ARI of, say, 100 years does not mean that the event will only occur once every 100 years. In fact, for each and every year, there is a 1% chance (a 1 in 100 chance) that the event (in this example, 48.2 mm in 1 hour) will be equalled or exceeded (once or more than once).

The longitudinal section of the road approaches to the bridge is also an important factor contributing to the frequency that the road is impacted by flood water. The approach to the bridge on the eastern side is up to 750mm lower than the bridge deck. During times of high flows in Copes Creek, water backs up and impacts the road approaches to the bridge prior to the bridge deck being impacted.

Council has \$243,180 funding available under the Financial Assistance Grant vote for 2023/2024 for Culverts Causeways/Bridges. If this funding were allocated to the replacement of Walkers bridge the Rural Road Causeway Replacement Program would need to be deferred.

If the above funding allocation was used the short fall of \$131,820 could be reallocated from the Roads to Recovery Heavy Patching program in order to complete the Walkers Bridge replacement. This would have a negative impact on Council's bitumen road renewal/maintenance program but would allow the bridge replacement project to proceed.

There are no known funding sources in Council's 2023/2024 budget that would cover the budget short fall of \$1,421,820 to construct the modern concrete single lane bridge structure, without having a significant negative impact to the level of service provided to the broader Council road network.

If Council was to determine the box culvert option as unacceptable, the possibility exists to apply for further grant funding under other programs in order to construct the more expensive bridge structure. The likely time delay in receiving a response from the grant administration body would almost certainly make meeting the July 2024 deadline impossible. This could put the existing grant funding at risk.

Given the cost implications it is proposed that Council endorse the bridge replacement solution of a large box culvert structure and undertake community consultation, particularly with those land

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owners/residents along Red Hill Road, so that a better understanding of the impacts associated with lowering the road height at this location. Once the outcome of community consultation is known Council will be in a better position to make a final decision.

**RISK ASSESSMENT:**

The current bridge structure has reached the end of its useful life and requires immediate replacement.

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

Council can find the \$375,000 short fall to construct a large box culvert from:

1. ACRD Culverts and Causeways/Bridges - \$243,180
2. 2023/2024 Roads to Recovery \$131,820

**LEGAL IMPLICATIONS:**

Nil

**ATTACHMENTS:**

Nil

**10.2 REQUEST FOR DONATION - BLAZE Aid INC****File Number:** S12.22.1/16 / 23/38448**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

Council is in receipt of a Request for Donation Application Form from BlazeAid Inc. The organisation is requesting a donation from Council for the amount of \$5,000 to assist with the cost of a basecamp that has been set up in Ashford.

Council is being asked to consider this request.

**RECOMMENDATION:**

*A matter for Council.*

**COMMENTARY:**

BlazeAid is a volunteer-based organisation that helps rural communities recover from natural disasters such as bushfires. They provide assistance with clearing and rebuilding of boundary and internal stock fences and offer emotional support for victims of natural disasters. BlazeAid aims to help farmers and families get back on their feet and restore their livelihoods as quickly as possible.

BlazeAid's purpose is to relieve the poverty, suffering, distress, misfortune, destitution or helplessness experienced by survivors of bushfires, floods and other natural disasters by, without limitation:

- (a) rebuilding and repairing fences and other structures that have been damaged or destroyed;
- (b) supporting and lifting the spirits of survivors;
- (c) restoring damaged lands through replanting pastures and native trees.

A BlazeAid camp has been set up in Ashford to assist property owners to rebuild fences after the recent bushfires. To date, 15 property owners have registered to have approximately 50kms of boundary and internal fencing rebuilt. BlazeAid have on average 10 to 15 volunteers per week to assist with the rebuild. It is expected BlazeAid will be in the Ashford area for approximately 4 months. The cost to run a BlazeAid camp is approximately \$5,000 per week.

BlazeAid Inc. is 100% an Australian charity. They rely entirely on donations from organisations, businesses and 'mums and dads'. Funding from the Government is very minimal.

BlazeAid is requesting a donation for the amount of \$5,000. This will be used to fund the camp setup costs, including transport of assets needed for the rebuilding, the transportation of combat ready trailers (used to clear and rebuild fences), some of the costs of the evening meals and any basecamp costs (eg gas, power, etc). Where possible all food, fuel and repairs and maintenance to equipment and vehicles is sourced locally.

In 2021, Council provided a donation of \$5,000 to the Texas Show Society as a contribution to a BlazeAid Camp in Texas. In 2019, Council was awarded funding from the NSW Disaster Assistance Program for an establishment of a BlazeAid Camp based at the Inverell Showground after the Tingha Plateau fire.

Manager Administrative and Marketing Services, Mr Peter Caddey has provided the following information regarding grant funding. The NSW Rural Assistance Authority has funding available to aid in disaster recovery. This funding is aimed at primary producers, small business and not for



profit/community organisations by way of concessional loans up to the amount of \$130,000 and transport subsidies up to the amount of \$15,000. Council would only be eligible to apply for the transport subsidy for donated fodder.

Council is requested to determine if it wishes to provide a donation to BlazeAid Inc. and if so, in what capacity.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

Should Council wish to support BlazeAid Inc. with a donation sufficient funding can be sourced from:

- i. Councils Donation Budget - \$39,311 available; or
- ii. Council Industry Assistance and Promotion - \$141,000 available.

Each year Council makes an allocation for Industry Assistance and Promotion of Business and Industry in the Inverell Shire. These funds may be utilised, subject to a resolution of Council, for works on Private Lands or for the provision of direct financial assistance to private individuals and businesses during 2023/2024.

**LEGAL IMPLICATIONS:**

Nil

**ATTACHMENTS:**

Nil

**10.3 AQUATIC CENTRES COMPLETION OF MANAGEMENT AND OPERATION TENDER DOCUMENTATION****File Number:** S4.19.16/03 / 23/40268**Author:** Greg Doman, Manager Environmental Health**SUMMARY:**

Tender Documentation for the Management and Operation of both the Inverell Aquatic Centre and the Ashford Swimming Pool has now been completed. The purpose of this report is to brief Council in regards to the tender documentation and to determine the tender method.

**RECOMMENDATION:***That:*

1. *Council note the briefing provided regarding the tender documentation;*
2. *In accordance with Clause 166 of the Local Government (General) Regulation 2021 the method of tender for the management and Operation of the Inverell Aquatic Centre and Ashford Swimming Pool be by open tender;*
3. *A further report be prepared for Council's consideration regarding Tenders received for the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool.*

**COMMENTARY:**Introduction

Construction of the new Inverell Aquatic Centre is currently underway. The facility is scheduled for completion in the fourth quarter 2024 and the Ashford Swimming Pool will be in operation from October 2024. A management contract will be required to be in place prior to the opening of both Council Aquatic Centres.

Background

At the Ordinary Council meeting of 23 August 2023, a report was presented to Council to determine an appropriate management arrangement for Council's Aquatic Centres. A copy of this report has been included in **Attachment 1**. At this meeting Council resolved (Resolution 2023/127):

- 1) *That Council endorse a Fee for Service model with utilities and maintenance excluded for the initial term of the new Aquatic Centres Contract.*
- 2) *The contract be for an initial term of 3 years with the provision for 2 x 2-year extension options with the ability in the contract to negotiate a lump sum amount for each of the 2-year extensions.*
- 3) *Council be further briefed upon completion of procurement documents and Tender specifications prior to undertaking the tender process.*

Otium Planning Group (Otium), Council's legal advisers (Kell Moore) and Council staff have now prepared the procurement documentation and Tender specifications for the Management and Operation of the Inverell Aquatic Centre and Ashford Swimming Pool.

### Summary of procurement documents and Tender specifications

The procurement documentation and Tender specifications for the Management and Operation of the Inverell Aquatic Centre and Ashford Swimming Pool Management is structured into six (6) sections.

To maintain the integrity of the tender process, formal tender documentation has not been provided as part of this report. The documentation at the time of writing was also undergoing final edits prior to going to market. A general overview of the tender documentation has been provided for Council's information below. It is also intended in the pre-meeting briefing session for Mr Mal Kuhn from Otium to brief Council in regards to the tender documentation.

#### Section A - Information for Tenderers

This section of the contract provides an overview of management arrangements Council is seeking and provides details in terms of the Tender structure, Council's assessment process and specific details regarding lodgement of Tenders.

#### Section B - Conditions of Tendering

This section of the contract relates to conditions of Tendering. It provides Tenderers information regarding the type of contract, information regarding Tender enquiries and their response, lodgement process for Tenders and how confidential information is to be dealt with.

#### Section C - Contract for the Supply of Services

This section of the contract relates to the supply of services by the contractor. It contains information on management fees and how Council will pay the contractor. It also provides details in relation to items such as bank guarantees, required insurances, pool closures and the process for dealing with the terms of the contract.

#### Section D - Specification of Services

This section specifies in detail the services Council is Tendering. It is broken into a number of sub components which cover:

- a) General issues and requirements;
- b) Planning and business management;
- c) Marketing;
- d) Financial management and responsibilities;
- e) Human resources;
- f) Centre usage and access;
- g) Programs and services;
- h) Customer service;
- i) Ongoing reporting;
- j) Work health and safety operations;
- k) Retail;
- l) Plant and equipment;
- m) Asset responsibilities; and
- n) Performance measurement and monitoring.

#### Section E - Tender Advertisement

This section relates to the advertisement of the Tender which is a matter for Council to consider and will be discussed further in this report.

#### Section F - Tender Return Schedules

This section relates to the Tender return schedules. There are 12 return schedules that are contained within this section. Tenderers are required to complete and upload each of these schedules.

The completed Tender and contract documentation is consistent with Council's resolution and will provide Council with a management contract that will use a fee for service model for the initial three (3) years of the contract with provision of a 2 x 2-year extension. The contract structure provides Council with the opportunity to negotiate a lump sum amount for the two (2) year extensions.

The implementation of the contract requires the contractor to develop a number of financial and strategic plans that will guide the operation of the Aquatic Centres during the contract term. These plans will require Council approval prior to implementation therefore ensuring Council's ability to oversee the operation of its aquatic centres in the future.

#### Procurement Process and Market Research

In accordance with Section 55 of the *Local Government Act 1993* Council is required to invite tenders for the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool.

As the tender documentation is now complete, it is necessary for Council to determine the method of tendering is being sought in accordance with Clause 166 of the *Local Government (General) Regulation 2021*.

Clause 166 of the *Local Government (General) Regulation 2021* requires Council to decide whether Tenders are to be by open Tender or through a selective Tendering process.

An open Tender is where Council invites Tenderers for a proposed contract by way of public advertisement.

A selective Tender is either through a process where invitations to Tender for a particular contract are made following a public advertisement asking for expressions of interest or through a recognised list of contractors that have been adopted by Council and are invited to Tender for proposed contracts of a particular kind.

Council's ability to attract suitably qualified contractors is a high consideration in determining the Tendering process. Due to the specialised nature of this contract, selective Tendering may be challenging and considered of little benefit. To assist Council with this, it is considered necessary to try and gain an understanding of the current market.

As with most Tenders it can be difficult to determine the market interest until such time as the Tender has been released. This is further compounded the more specialised the contract becomes. To assist Council in gaining a market understanding, Otium Planning Group sent an upcoming Tender email alert in November 2023 to seven (7) companies prominent in the industry. Of these, three (3) showed strong interest in the upcoming Tender, three (3) indicated that they were not interested due to current commitments and one (1) did not provide a response.

The probity issues surrounding Tenders provide limited opportunity for Council to seek and determine the market interest for specified contracts before going to Tender. It is encouraging that based on the limited ability to undertake market interest that several optimistic responses were received.

Based on the specialised nature of the contract and market research undertaken, an open tendering process would be advantageous for Council to consider in relation to the Tender for the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool. This process would maximise Council's opportunity to seek potential tenderers for the provision of the required contract services.

#### Tendering Process and Timing

Council uses Tenderlink, (e-tendering) which is an electronic platform for the release, monitoring and receipt of the Tenders. This Tender would be advertised in the Sydney Morning Herald, Courier Mail, Inverell Times, on Council's Website and through Social media.

As Councillors may recall from previous reports it is considered beneficial for Council to have a Contractor in place by the end of the first quarter of 2024. This early involvement allows the Contractor to be involved in the commissioning process of the new aquatic facility as well as providing sufficient time to “gear up” with the required equipment.

The following indicative Tender milestone dates have been developed to assist Council with understanding the anticipated timing of the Tendering process.

- Tender release 15 December 2023;
- Close of the Tender 8 February 2024;
- Tender evaluation during 12 February - 4 March 2024;
- Present to Council for consideration in March 2024; and
- Proposed commencement date April 2024.

Council will need to be aware that any significant delays in the above milestones may result in the Contractor being under prepared. The identified milestones should provide the Contractor with sufficient time to prepare for the opening of Council’s Aquatic Centres.

### Conclusion

Early market research undertaken indicates that there is interest in the Aquatic Industry for the management of Council’s aquatic centres. The preparation of the Tender documentation and contract specifications will provide Council the opportunity to deal with the complexities surrounding the opening of a new aquatic centre.

The timing of the Tender and proposed commencement date will provide both Council and the Contractor with benefits. On this basis it is recommended that Council:

1. Note the briefing provided regarding the tender documentation and process; and
2. Use an open tendering method to invite Tenders for Management and Operations of the Inverell Aquatic Centre and the Ashford Swimming Pools.

At the conclusion of the tendering and evaluation process a further report will be prepared for Council’s consideration regarding the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool.

### **RISK ASSESSMENT:**

Nil

### **POLICY IMPLICATIONS:**

The Tender for the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool will be required to be undertaken in accordance with Council’s Procurement and Disposals Authority Management Policy and Procedures.

### **CHIEF FINANCIAL OFFICERS COMMENT:**

The Tendering process for the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool contract will be required to be undertaken in accordance with the *Local Government Act 1993* and Council’s Procurement and Disposals Authority Management Policy and Procedures.

### **LEGAL IMPLICATIONS:**

The draft Contract for the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool has been developed and reviewed by Kell Moore Lawyers.

### **ATTACHMENTS:**

1. **Aquatic Centres Contract Management Model - Report to Ordinary Council meeting 23 August 2023** [↓](#)

**10.1 AQUATIC CENTRES CONTRACT MANAGEMENT MODEL****File Number:** S26.13.1 / 23/26811**Author:** Brett McInnes, Director Civil and Environmental Services**SUMMARY:**

This report has been triggered by the need to determine an appropriate contract management arrangement for Council's Aquatic Centres. Council is being asked to endorse a contract management model that will enable tender specifications to be completed and procurement to commence for new contract managers.

**RECOMMENDATION:**

- 1) *That Council endorse a Fee for Service model with utilities and maintenance excluded for the initial term of the new Aquatic Centres Contract.*
- 2) *The contract be for an initial term of 3 years with the provision for 2 x 2-year extension options with the ability in the contract to negotiate a lump sum amount for each of the 2-year extensions.*
- 3) *Council be further briefed upon completion of procurement documents and tender specifications prior to undertaking the tender process.*

**COMMENTARY:**Introduction

Construction of the new Inverell Aquatic Centre is soon to commence. The facility is scheduled for completion in November 2024 and a suitable management arrangement will be required to be in place prior to then.

The Ashford Swimming Pool will operate in isolation over the 2023/24 season (6 months) under a short-term contract agreement.

Background

Council has operated the Inverell and Ashford Swimming Pool under a combined management contract for the last 17 years.

The last time Council undertook a detailed review of the pool management model was in 2016. At the time, the merits of contract management vs direct Council management (day labour) were considered.

It was subsequently resolved to continue management of both facilities on a contract basis. Many of the 2016 considerations are still relevant today and a copy of the associated Council report has been included in **Attachment 1** of this report for the information of Council.

For the reasons outlined in the 2016 report and the demands associated with the management of the new Inverell Aquatic Centre, it is not proposed to further consider a direct management (day labour) arrangement.

Investigations

The Otium Planning Group (Otium) who have been assisting Council in a specialist advisory capacity for the design and construction of the new Aquatic Centre are also providing advice in regards to operation and management of the new centre. Otium are leisure and recreational industry specialists and have assisted many Council's across the country with the preparation of management contracts for aquatic centres.

## Ordinary Council Meeting Agenda

23 August 2023

Otium also prepared a Business Plan for Council as part of the Feasibility Study for the new Aquatic Centre. This Business Plan is currently being updated as original assumptions are able to be refined with the development of the detailed design.

Otium have produced a 'Management Contract Options Discussion Paper' which is contained in **Attachment 2** of this report. The Discussion Paper examines the main contract types and contract levers relevant to Aquatic Centre management contracts. It is ultimately concluded that a Fee for Service contract with utilities and maintenance excluded during the initial term is the most suitable arrangement for Inverell Shire.

Representatives from Otium will provide a presentation to Council in regards to the Discussion Paper during the briefing session immediately prior to the Council meeting.

Proposed Management Model

As indicated in the Discussion Paper, the lack of operating data associated with a new centre would prompt a cautious and somewhat speculative response from any party tendering for a lump sum contract. In the interest of obtaining the most competitive proposals and to enable Council to capture authoritative data for future use, it is agreed that a fee for service contract is the most prudent option.

The fee for service approach is similar to how the previous management contract for both (Inverell and Ashford) pools had evolved. Given the age of these facilities and assets reaching the end of their design life, Council took responsibility for any significant maintenance and repairs as well as major consumables and utilities. Again, such actions were necessary as a lump sum contract approach placing full responsibility on the contractor would be a significant deterrent to potential tenderers.

In a fee for service contract arrangement that excludes maintenance and utilities it means Council inherits financial responsibility and risk associated with these items. With a new facility maintenance should be relatively small scale and predictable. Likewise, detailed business planning should enable Council to predict utility charges with a reasonable degree of confidence. Council is also likely to have stronger purchasing power in regards to core utilities such as electricity. In relation to the Ashford pool, whilst the utility costs are fairly foreseeable, future maintenance costs are likely to increase given the age of the facility. However, it is also considered that Council is better placed to plan for these costs and manage the aging facility accordingly, as opposed to a contractor.

In essence the fee for service model, would see Council paying actual costs for those items excluded and deemed to be their responsibility. Whilst this is likely the most cost-effective option it does carry with it the risk of exposure to price rises such as electricity charges during the term of the contract.

Next Steps

Upon adoption of the contract model significant work needs to take place to prepare procurement documentation and tender specifications. Once these tasks are completed the matter will return to Council for final endorsement and determination of tendering method in accordance with clause 166 of the *Local Government (General) Regulation 2021*.

It would be beneficial to have contractors in place by the end of the first quarter of 2024. This would facilitate the inclusion of the contractor in the commissioning process which has obvious operational benefits. Further, it would provide adequate time for the contractor to 'gear up' with the purchase of required equipment and uniforms etc. Provision will be incorporated in the contract for the nomination of a rate for the period prior to the opening of the pools to attend to such matters as specified by Council.

Conclusion

It is necessary for Council to prepare a contract for the management of the new Inverell Aquatic Centre and the Ashford Swimming Pool.

Noting the lack of operational data with a new facility it is considered a fee for service model is the most appropriate for the initial term of the new contract.

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23 August 2023

A decision in regards to the contract model is necessary to prepare the relevant documentation prior to going to market with the tender process.

**RISK ASSESSMENT:**

Nil.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

The fee for service contract model is likely to be the most cost effective for Council in the first instance given the development of the new Aquatic Centre.

**LEGAL IMPLICATIONS:**

Future procurement of contract management will need to be consistent with the relevant tendering provisions of the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*.

**ATTACHMENTS:**

1. **Swimming Pools Management Contract - 2016 Report**
2. **Management Contract Options Discussion Paper**



**10.4 SENIOR STAFF ORGANISATIONAL STRUCTURE****File Number:** S22.10.1 / 23/40586**Author:** Brett McInnes, General Manager**SUMMARY:**

This report considers an adjustment to Council's existing senior staff organisational structure to facilitate a three-division model. This model is considered most appropriate to meet current day expectations and operating complexities whilst facilitating delivery of Council's Community Strategic Plan. Council is being asked to endorse the proposed senior staff structure.

**RECOMMENDATION:**

1. *In accordance with Section 333 of the Local Government Act 1993 Council re-determine the organisation structure to provide for a three-division model and spread of functions consistent with Attachment 1 to this report.*
2. *The newly created Director Civil Services and Director Environmental Services positions be designated senior staff positions in accordance with Section 332 of the Local Government Act 1993.*
3. *Recruitment for the Director Civil Services and Director Environmental Services positions commence as soon as practicable and be undertaken generally in accordance with the Guidelines issued by the Office of Local Government on the Recruitment of Senior Council Executives.*

**COMMENTARY:**Introduction

As a result of the internal appointment to the position of General Manager, Council currently has a vacancy in the Director Civil and Environmental Services position. As when any vacancy of a significant nature occurs it provides a good opportunity to review the current organisational structure and determine if it is most appropriately meeting Council's needs.

The General Manager held a workshop with Council on 8 November 2023 to discuss the senior staff organisational structure. As a result, it was agreed to further examine a three-division organisational model.

The Council, in consultation with the General Manager is responsible for determining the senior staff organisational structure of Council in accordance with Section 332 of the *Local Government Act 1993*. Council has the ability to re-determine the adopted structure as provided by Section 333 of the *Local Government Act 1993*.

Background

Council adopted a two-division structure and subsequently created the Director Civil and Environmental Services position in 2009. Council's Civil and Environmental Services Division was formed essentially by the merger of the former Technical Services (Engineering) and Planning and Development divisions. Prior to 2009, Council operated with what would be considered a more 'traditional' three-division structure (Engineering / Planning & Development / Corporate Services).

The trigger for the 2009 restructure was the retirement of the then Director Technical Services. Whilst the two-division structure was capable of delivering upon Council's then strategic direction, it was also partly opportunistic, taking advantage of the internal resources that existed at the time.

Combining virtually all of Council's external services under a single directorship (Civil and Environmental Services) facilitated significant organisational enhancement. This included the implementation of a shared administration, improved practices and procedures and a more effective works staff structure. These legacies are now all enshrined and capable of being retained in an appropriate re-determined organisational structure.

### Current Environment

The operational complexities, work demands and community expectations are far greater now than when Council introduced the two-division structure some 14 years ago. Examples include:

- ❖ Introduction of Audit, Risk and Improvement Committee (ARIC) and associated servicing requirements.
- ❖ Greater expectation associated with community engagement and consultation.
- ❖ Pressure from insurers to implement more comprehensive risk management practices.
- ❖ Greater expectation around Work Place Health and Safety matters. Emphasis on matters such as Psychosocial risk as a hazard requiring management.
- ❖ Quality Assurance consuming more management resources. State agencies such as TfNSW have placed much higher standards upon Council. This also has a flow on effect to reporting requirements.
- ❖ Far more 'green tape' associated with environmental approvals required for works such as Aboriginal/European Cultural Heritage, Flora/Fauna assessments, Fisheries approvals etc.
- ❖ Higher expectations regarding Council's role in emergency management. Many Councils now have LEMOs as a dedicated stand-alone role.
- ❖ National Heavy Vehicle Regulator (NHVR) has placed greater work load on staff assessing requests and assisting users with NHVR issues.
- ❖ Introduction of the NSW Planning Portal.
- ❖ Ongoing Planning Reform Process and greater regulatory control.
- ❖ More complex planning legislation to consider and greater state agency interactions (SEPPS, Environmental, Bushfire, BASIX and cultural heritage).
- ❖ External accreditation of Building Certification Function.

The above list is not exhaustive but more an overview of the challenging environment in which Council currently operates.

Cost shifting from higher levels of government also places greater pressure on Council resources. This combined with greater community expectations has seen Council become involved in areas that previously have been outside our core domain, such as provision of health services.

At the time Council adopted the two-division model, it also began to be embraced by a number of other councils both larger and smaller. This was largely triggered by the local government reform process in 2011, followed by the Fit for the Future Program which commenced in 2014. Many of these Councils have since reverted from the two-division model to structures that better align with their Community Strategic Plans.

With a Council the size of Inverell, it requires the Directors under a two-division model to still have a significant functional and technical knowledge across their area of responsibility. In larger Councils with a two-division structure the Directors would almost exclusively have a strategic focus and act more like an Assistant General Manager. Hence noting the very broad functional area associated with the current Director Civil and Environmental Services position, it makes it a rather unique role with associated recruitment challenges.

### Proposal

Council has the opportunity to re-determine its organisational structure to provide a senior staff leadership team that aligns with its Community Strategic Plan and will best serve the communities needs into the future.

Considering the current environment Council operates in and identified future strategic direction, a three-division organisational structure would offer a number of advantages:

- ❖ Additional leadership resources to assist in meeting current and future demands.
- ❖ Greater opportunity for career path development within the organisation.
- ❖ Potential for internal applicants applying for roles.
- ❖ Greater consistency with Council's Community Strategic Plan noting the evolving role of Council.
- ❖ Greater external pool of suitable candidates available for more traditionally aligned Directors roles.

Essentially, the three-division structure would be created by splitting the functional responsibilities allocated to the existing Director Civil & Environmental Services position between two Directors. The split would be on the basis of a Civil (Engineering) Division and an Environmental (Planning/Development/Environmental etc) Division. The three-division structure also provides the opportunity to re-distribute functions between directorships to appropriately distribute workloads and provide adequate resources to address emerging functions such as ARIC and health service advocacy.

Noting the responsibilities, skills and accountabilities of the newly created Director Civil Services and Director Environmental Services positions, it is appropriate they are both designated senior staff positions in accordance with Section 332 of the *Local Government Act 1993*.

**Attachment 1** to this report identifies the proposed three-division model and associated spread of functions.

**Attachment 2** contains the existing organisational structure for comparison purposes.

#### Consultation

Whilst it is not considered that a re-determination of the senior staff structure will have a significant effect as defined by clause 42(ii) of the Local Government (State) Award, consultation was still undertaken with relevant employees, union/s and Council's Consultative Committee.

A meeting was held on the 16 November 2023 with those staff likely to be affected (alteration of reporting lines) by the proposed change to the senior staff structure. This included Civil and Environmental Services Managers and the Director Corporate and Economic Services. At the conclusion of the meeting there was unanimous support for the proposed change.

On 30 November 2023, Council's Consultative Committee also considered the proposal. United Services Union Organiser, Mr Mark Hughes was also in attendance at the meeting. By consensus the Consultative Committee supported the proposed re-determination of the organisational structure with no dissenting views.

#### Conclusion

As the demands and environment in which Council operates evolves, it is important to ensure Council is equipped with the appropriate organisational structure to respond.

The current vacancy in the Director Civil and Environmental Services role provides Council with the ideal opportunity to re-determine its senior staff structure.

The proposed three-division organisational model is considered to appropriately align with Council's Community Strategic Plan and is cognisant of current and future needs.

**RISK ASSESSMENT:**

Not having adequate senior staff resources places a considerable operational risk upon Council.

**POLICY IMPLICATIONS:**

The endorsement of a suitable senior staff organisational model is consistent with the 'Leadership' destination in Council's Community Strategic Plan. More specifically the following objective and strategies:

Objective 1      Council is responsible and accountable.

Strategy 1.1      Partner, engage and communicate with our community to make informed decisions and deliver services, projects and initiatives.

Strategy 1.2      Provide the community with responsible and accountable decision making when undertaking the civic duties of Council.

**CHIEF FINANCIAL OFFICERS COMMENT:**

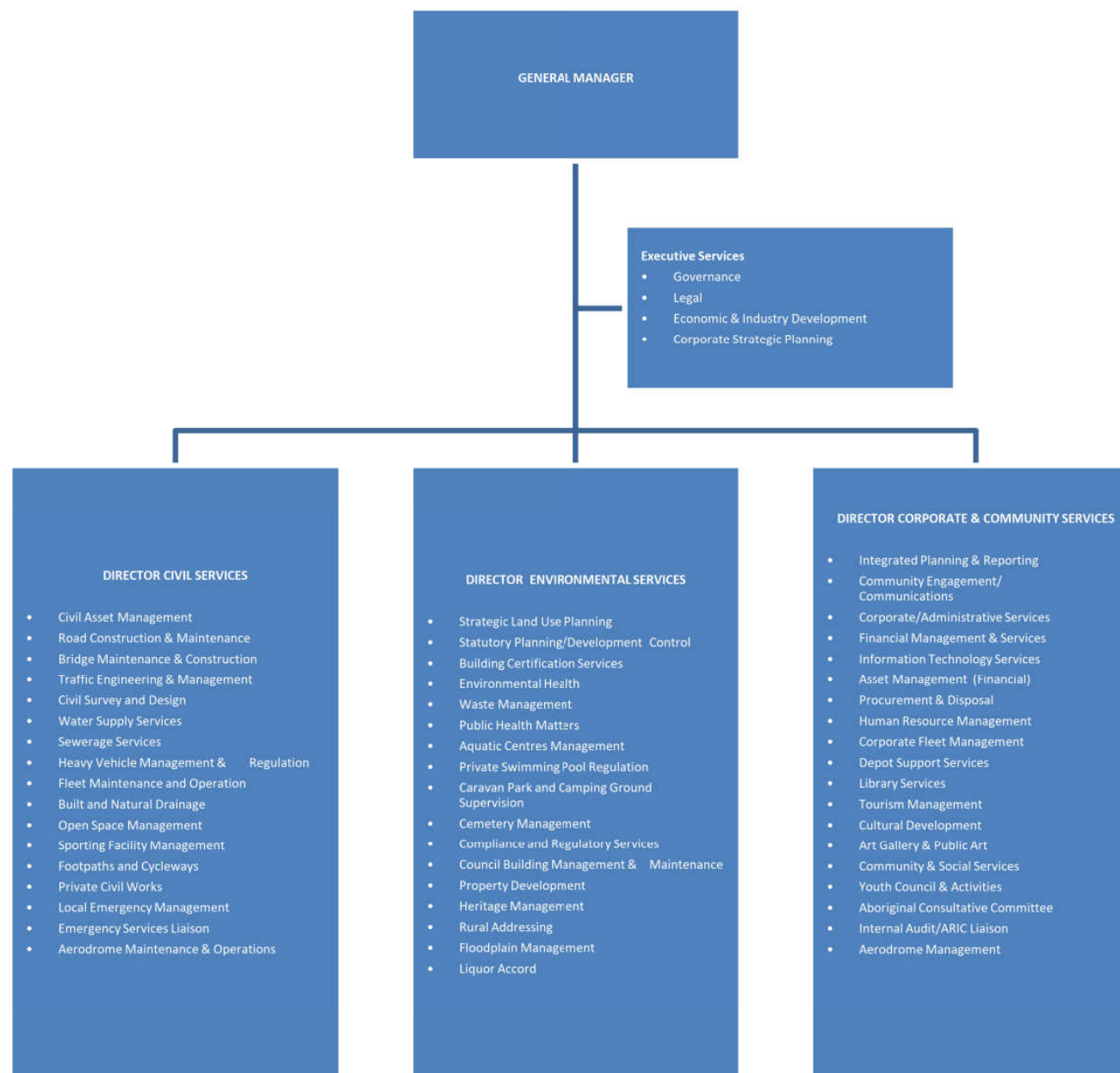
Acknowledging the need to respond to the current and likely future operating environment, Council has continued to fund a redundant middle management position in the salary budget. This, combined with savings in other senior staff remuneration packages enables the implementation of the three-division model within the existing budget and projected long-term financial plan.

**LEGAL IMPLICATIONS:**

Council has the ability to re-determine the organisational structure in accordance with Section 333 of the *Local Government Act 1993*.

**ATTACHMENTS:**

1.    **Proposed Three-Division Organisational Structure** [↓](#)
2.    **Existing Organisational Structure** [↓](#)





**10.5 REVIEW OF THE INVERELL LIBRARY COLLECTION DEVELOPMENT POLICY****File Number:** S4.14.4/06 / 23/40650**Author:** Sonya Lange, Manager Library Services**SUMMARY:**

The Inverell Library Collection Development Policy has been reviewed and updated, to ensure the document remains relevant in a contemporary library environment. Council is asked to adopt the revised Collection Development Policy.

**RECOMMENDATION:**

*That Council endorse the amended Collection Development Policy as presented.*

**COMMENTARY:**

The Inverell Shire Library has an existing Collection Development Policy, which has been reviewed to clearly articulate the intentions of the policy and provide a robust set of criteria for collection management.

The Collection Development Policy is reviewed regularly to ensure it meets the changing landscape of material formats, community demographics, and patron needs and interests. Library staff utilise their professional skills, industry tools, an understanding of the community's interest and needs, and knowledge of the existing collection and its patterns of use when making selection and de-selection decisions. Rulings of the Australian Classification Board inform the categorisation, display and access to materials where relevant. The Collection Development Policy has been reviewed, and additional statements included to:

- Express commitment to maintaining a diverse and inclusive collection which encompasses marginalised voices and reflects our community's demographics, interests and needs
- Detail the key criteria for selection and de-selection of materials
- Outline the principle of parental guidance and a parent or guardian's responsibility for the reading choices of their own children
- Reference the legislative requirements, and key policy documents that enshrine the ethos of equitable access to information for all which underpins library services to the community
- Provide a mechanism to accept and respond to challenges to materials within the library collection

These proposed additional statements are included in the attached policy and have been highlighted in yellow for your reference. No other changes have been made to the existing policy.

Council is asked to adopt this policy, to confirm its support of the principles and guidelines established by the document, and affirm a commitment to an inclusive collection.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil

**LEGAL IMPLICATIONS:**

Nil

**ATTACHMENTS:**

1. Collection Development Policy [📎](#)





MANAGEMENT POLICY:	COLLECTION DEVELOPMENT POLICY
Ref:	13/4815

Contact Officer	Manager Library Services
Approval Date	20 February 2013
Approval Authority	Management Team
Reviewed	Sept 2020, July 2022
Amended	September 2020
Date of Next Review	September 2024

### Policy statement

Inverell Shire Public Library provides library services for residents of Inverell Shire. It is also well used by residents of adjoining shires with approximately 10 per cent of library members living outside Inverell Shire Council's boundaries.

There is one library service point at Inverell. All Council library staff are located at this service point. Opening hours are generous with the library being open to the public 46.5 hours, Monday to Saturday.

A collection of books is located at the Ashford Rural Transaction Centre which is operated by non-Council staff. Smaller collections of books are located at the Delungra CWA Hall and at the Yetman General store. These collections are rotated and refreshed at regular intervals.

### Community Profile

Inverell is situated on the Macintyre River in the centre of the New England tablelands. It is 689 kilometres by road to Sydney and 437 kilometres by road to Brisbane. The Shire covers an area of 8 605 square kilometres.

The population of the Inverell Local Government Area is 17,800. The age breakdown shows that Inverell LGA has lower than average number of people in the 20-55 age group, and a higher than average number of people in the 0-19 and 56+ age groups.

There is a relatively high indigenous population in the Inverell LGA, at 11.1% of the population compared to a state average of 3.4%.

There is a relatively low cultural diversity in the Inverell LGA, with 83% of the population born in Australia, 76% of the population with both parents born in Australia, and only 5% of the population speaking a language other than English in the home.

### Mission Statement

Inverell Shire Public Library's mission statement "to enrich the community by meeting their educational, recreational and cultural needs in a dynamic environment that inspires lifelong learning".



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### Objectives of the Collection Development Policy

The collection development policy aligns with the library's mission statement. It is designed to assist with the selection and de-selection (weeding) of materials. It also informs the public as to how the collection is developed and maintained. The Manager Library Services is responsible for reviewing and revising the collection development policy on an annual basis.

### Responsibility for Selection

Various library staff contribute to the selection process. The Manager Library Services takes ultimate responsibility for the selection of items and the library's collection development and maintenance. Staff undertaking selection utilise their professional skills and knowledge, as well as industry and consumer review sources, to assess materials for suitability for the collection.

### Methods of Selection

Library materials in a range of formats are purchased from library suppliers, retail outlets and subscription agencies.

### Criteria for Selection:

1. The main points considered in the selection of materials are:
  - individual merit of each item
  - factual accuracy of non-fiction items
  - popular appeal/demand
  - representation of a range of perspectives and voices
  - alignment with community demographics
  - existing library holdings
  - budget
2. Titles are sourced via reviews, mentions in the media, marketing materials, public requests/suggestions for purchase and other means.

### Collection Evaluation and Assessment

The collection is regularly evaluated to ensure that the library is fulfilling its goal to provide materials in a timely manner to meet the community's interests and needs. Statistical tools (circulation reports, collection reports) as well as customer and staff input (suggestion to purchase forms, survey results, formal/informal feedback, subject gaps noted as a result of customer inquiries) are used to evaluate and assess the collection. As community needs and interest vary, individual collection areas may be identified for growth or reduction.

### Collection Maintenance

An up-to-date, attractive and useful collection is maintained through a regular collection maintenance programme. This programme includes using statistical tools (circulation reports, collection reports) as well as identifying materials for deletion during circulation, shelving, shelf-checking or other library activities.

Items are identified for deletion when they are:

- factually inaccurate and obsolete
- worn beyond repair
- not circulated in a three-year period
- superseded by a new edition or new title on the topic



- irrelevant to the community's needs.

### Scope of the Collection

#### Print Resources

##### *Adult Fiction*

The Adult Fiction collection includes a diverse and inclusive selection of popular, classic and contemporary fiction, by both Australian and international authors. The collection is intended to capture a range of perspectives and voices, and reflect the diversity of the community. The library purchases the works of some popular contemporary authors by standing order (ensuring all works by that author are collected and that the works are supplied at a discount price). The list of Adult Fiction standing order authors is reviewed annually.

##### *Young Adult Fiction*

The Young Adult Fiction collection aims to provide readers with diverse and inclusive stories suitable for persons aged 13 years to 17 years. The collection includes popular and contemporary fiction, including graphic novels, by both Australian and international authors. The library purchases the works of some popular contemporary Young Adult Fiction authors by annually reviewed standing order.

##### *Junior Fiction*

The Junior Fiction collection aims to provide diverse and inclusive materials for children beginning to read to children up to twelve years old. The collection includes beginner readers, popular series books, graphic novels, classics and contemporary junior fiction by both Australian and international authors. The library purchases the works of some popular contemporary Junior Fiction authors by annually reviewed standing order.

##### *Picture Books*

The Picture Books collection includes books with pictures and text, reflective of diverse voices and perspectives. It also includes board books. The library purchases the works of some popular contemporary picture book authors by annually reviewed standing order.

##### *Local History*

The Local History collection's purpose is to promote a sense of place to residents of the region, to visitors, and to remote researchers. The Local History collection has its own collection development policy.

##### *Reference*

The Reference collection includes information resources to answer factual reference questions from the public, such as dictionaries, almanacs, encyclopaedias, directories, phone books, etc. The Reference collection is heavily supplemented by the library's electronic resources. Special Sub-collections include Drug Information @ your Library and Find Legal Answers, both of which are supported by the State Library of NSW.

##### *Non-fiction*

The Non-fiction collection aims to provide readers with access to non-fiction materials on a diverse and inclusive range of subjects. The non-fiction collection is aimed at a general interest level, rather than a specialist or academic level. Factual accuracy of information is a key selection criterion. Materials aimed at adult, young adult and junior readerships are collected and interfiled to promote browsing by all ages. Special Sub-collections include Indigenous, Community Literacy, Mental Health and Wellbeing, HSC and Junior Literacy.

##### *Parenting Collection*

The Parenting Collection includes books, DVDs, talking books and magazines of interest to parents or caregivers of children from birth to eighteen years old. The collection also includes



materials about pregnancy and childbirth, and books to help parents explain life events/issues to children. Materials recommended by Community Health workers are given high priority

#### *Large Print*

The Large Print collection includes mostly fiction titles with a small range of popular non-fiction. Popular authors and genres (such as Westerns) are collected. Some of the material purchased for the Large Print Collection is purchased by the Northern Tablelands Co-operative Library Service and exchanged with other library members of the NTCLS.

#### *Newspapers*

The library subscribes to a selection of local, regional, state and national newspaper. All newspapers, except the local newspaper, are retained in hard copy for two months. The local newspaper is retained in hard copy indefinitely. Microfilms of the local newspaper are also made available for public use and retained indefinitely.

#### *Magazines*

Magazines with popular appeal are collected according to interests of the local community. Most magazine titles are retained for two years. The list of magazine titles on subscription is reviewed annually with circulation statistics being used as a key indicator. Magazine and periodical articles from a range of publications are also available online through the library's electronic resources. Materials designed for different age groups are housed in the appropriate area of the library.

### **Non-Print Resources**

#### *Talking Books*

The Talking Book collection includes mostly fiction titles with a small range of popular non-fiction. Preference is given to unabridged contemporary recordings, including diverse and inclusive voices. Some of the material purchased for the Talking Book Collection is purchased by the NTCLS and exchanged with other library members of the NTCLS. Materials designed for different age groups are housed in the appropriate area of the library.

#### *Music Compact Discs*

The Music Compact Disc collection includes a range of music with popular appeal for a range of ages from birth to Adult. The collection is not considered a grown collection and limited additions are made to the collection each year.

#### *DVDs*

Informational DVDs are collected to supplement the non-fiction book collection. Documentaries, music DVDs, television series and movies are also collected, with preference given to materials with Australian content, based on a book, or award-winning. **Diverse viewpoints and voices are collected.** Materials designed for different age groups are housed in the appropriate area of the library.

#### *Electronic Resources*

The library's electronic resources include online databases provided to public libraries by the State Library of New South Wales, database and website access purchased by the library itself, and e-books and e-audio offered via consortia arrangements. E-books are a resource for which demand is increasing, and providing access to these items is considered a priority for collection development. The electronic resources can be accessed via the library's website, with e-book and e-audio titles listed in the library catalogue.



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### Materials in New and Emerging Formats

Library staff endeavour to stay abreast of the availability of materials in new and emerging formats. Staff will assess the suitability for inclusion of these new and emerging formats in the context of the community for which the collection is developed and in the context of the total budget allocated for collection purchases.

### Interlibrary Loans

The library provides a timely and efficient interlibrary loan service for customers who wish to obtain materials not held by Inverell Shire Public Library. Library staff members are available to assist customers to identify titles and to source materials through the Australian Interlibrary Loans Network. Items which are regularly requested as an interlibrary loan and fall within the selection criteria guidelines will be considered as suggestions for purchase.

### Suggestions for Purchase

The library encourages community and staff suggestions for purchase, with the suggestions for purchase form available in hard copy or online via the library catalogue. Suggestions for purchase are processed once a month. Suggestions for purchase are given high priority in the collection budget and are assessed according to the library's general criteria for selection.

### Gifts and Donations

The library accepts gifts of books and other materials, which are locally relevant, or published within the last five years, on the understanding that they will be added to the collection only if they are appropriate and only if they are needed. Materials may not be appropriate if they are in poor condition, or contain dated information. Materials may not be needed if they are duplicate titles. Donated materials are assessed for suitability according to the same criteria as purchased materials. Donated materials not included in the collection will be disposed of in a manner determined by the Manager Library Services.

### Parental Guidance

The Library recommends that parents and guardians take an active role in their child's selection of library materials for consumption. Library staff classify materials into various age categories, based on professional skills and industry recommendation. Each parent or guardian should decide which books, films and other media are suitable for their child to access, based on their knowledge of what their child can understand and cope with, and the types of content that might upset them or cause concern.

### Access to Information

A key role of Inverell Library is as an unbiased source of information and ideas, including online content. This entails providing free access to materials and information presenting, as far as possible, all points of view on contemporary and historical issues, including controversial issues. The Inverell Library is guided in doing so by the Library Council of NSW statement on [Access to Information in NSW Public Libraries](#). (Appendix A)



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A key statement of this guideline is:

*Library materials that have not been subject to federal and state restriction or prohibition should not be excluded from a public library on moral, political, racial, religious, sexist, language, or other grounds. Nor should library materials be included on these grounds alone, whatever pressure may be brought to bear by individuals or groups.*

In accordance with this guideline, Library materials are carefully selected for diversity and inclusion, and to reflect the community we serve, recognising that differences of opinion may arise regarding the suitability of some materials. The library abides by the Commonwealth Government laws on the classification and restriction of publications, and is guided by the determinations of the Australian Classification Board. Where a difference of opinion about a material may arise, the person is requested to consider the policy and guideline statements appended to this document. If, after fully reviewing this policy and the appended guidelines, the concern is maintained, the person is requested to complete and submit a "Reconsideration for Request" form (Appendix E). The Manager Library Services will undertake a review of the material, and provide a written response to the requestor outlining the decision and its rationale.

Inverell Shire Public Library also supports the Australian Library and Information Association policy statements on:

- [Public Library Services](#) (Appendix B)
- [Free Access to Information](#) (Appendix C)
- [Online Content Regulation](#) (Appendix D)
- [Information Literacy for All Australians](#)
- [Libraries and Literacies](#)
- [Library and Information Services for Indigenous Peoples](#)
- [Library and Information Services for People with a Disability](#)



## Appendix A

**Access to Information in NSW  
Public Libraries: Library Council  
Guideline****Introduction**

This guideline is framed with reference to the *Library Act 1939* and the principles expressed in the Australian Library and Information Association Statements on Free Access to Information and Online Content Regulation, and the International Federation of Library Associations and Institutions Statement on Libraries and Intellectual Freedom.

**Policy statement**

The State Library of New South Wales and the statewide network of public libraries provide free and equitable access to information for the people of New South Wales.

**Collections**

Public libraries develop, maintain and provide access to collections of resources to meet the information needs and interests of their communities. Libraries have collection development policies and guidelines to assist in the selection of library material.

The continuous review of library collections is necessary as a means of maintaining a current and useful collection. This procedure should not be used as a means of removing materials believed to be controversial, contentious or disapproved of by sections of the community.

1. A public library has a role as an unbiased source of information and ideas, including online content. It must accept responsibility for providing free access to materials and information presenting, as far as possible, all points of view on contemporary and historical issues, including controversial issues.
2. Libraries should endeavour to provide access to comprehensive and balanced collections that meet the needs of their communities as far as budget, space and availability of materials allow.
3. Library materials that have not been subject to federal and state restriction or prohibition should not be excluded from a public library on moral, political, racial, religious, sexist, language, or other grounds. Nor should library materials be included on these grounds alone, whatever pressure may be brought to bear by individuals or groups.
4. The arrangement of the collection should facilitate access. Restricting access to certain titles or classes of materials, for example by holding them in special collections or available on request, can be an indirect form of censorship. No library materials, should be held in closed access



physically or digitally except for the express purpose of protecting them from damage, theft or due to Australian Classification restrictions<sup>1</sup>.

5. Collections should not be limited because of the possibility that children may access those collections. Monitoring the reading of children is the responsibility of their parents or guardians.

#### **Library Use**

6. Everyone has the right to use a public library in person, via the internet and by other means, whatever their age, sex, race, religion, cultural identity, language, disability, socioeconomic status, individual lifestyle, political allegiance or social views.
7. Libraries should protect each user's rights in regard to confidentiality and privacy.
8. Library clients must be sensitive to the values and beliefs of others when displaying potentially controversial information or images on computer screens located in public areas (see Explanatory note). Where a client is found to be using computers to access pornographic, offensive or objectionable material, or for any unlawful purpose, the library reserves the right to direct the client to leave the library, to direct that the client not re-enter the library for a specified period and to report unlawful conduct to the relevant authorities.
9. The Library Council does not support the use of censoring software as it inhibits free access to information (see 3) and it does not provide adequate protection for children from all material that may be harmful on the internet. Individual local councils may decide on the use of filtering software, and it is acknowledged that firewalls, anti-virus and ad blocking software are standard. However, if filtering censors certain sites, the library must ensure that people are not restricted from accessing lawful information.
10. The Library Council supports the right and responsibility of parents and guardians to direct the use of the internet by their children. Parents and guardians who wish to limit or restrict access by their children should personally oversee their use of the internet and other forms of digital information.

#### **Role of Public Library staff**

11. Librarians and other public library staff should not exercise censorship in the selection of materials by rejecting, solely on the grounds mentioned in (3), material which is otherwise relevant and which meets the standards of the library concerned.

<sup>1</sup> [www.classification.gov.au/Pages/Home.aspx](http://www.classification.gov.au/Pages/Home.aspx)





12. Notwithstanding their opposition to censorship, librarians and other public library staff must strictly observe laws, which may ban or restrict access to certain material.
13. Librarians and other public library staff have a role in educating clients in the safe and informed use of the internet, guided by acceptable use policies.



## Appendix B



Australian Library and  
Information Association

# Statement on public library services

## ALIA objects addressed

To promote the free flow of information and ideas in the interests of all Australians and a thriving culture and democracy.

To promote and improve the services provided by all kinds of library and information agencies.

## Principle

Freedom of access to Australian public library and information services is essential:

- to enable all community members to participate in and contribute to society, including the democratic process;
- to actively contribute to social inclusion; and
- to enable people to contribute to the economic wellbeing of their families and the nation.

## Statement

Public libraries welcome everyone. Core services are free at the point of delivery, and the aim of library teams is to reduce any barriers to engagement for people from diverse backgrounds and to promote equity of access to information, activities and resources.

Public libraries are agile and embrace a variety of roles. They support literacy and reading for pleasure; lifelong learning; arts, culture and local heritage; cybersafety and digital inclusion. They promote the work of Australian writers and creators; provide safe spaces for meetings, study, work and relaxation; ensure that people have freedom of access to the information they need for personal development, health, wellbeing and active participation in our democratic society, and help people connect with government.

While funded by local, state and territory governments, Australian public libraries are part of an informal national and international network. Through the ALIA Australian Public Library Alliance, public libraries collaborate to produce national standards, guidelines and impact measures. They jointly advocate for the role of libraries in delivering local, state and national government priorities.





Through the Public Libraries Section of the International Federation of Library Associations and Institutions (IFLA), Australian public libraries connect with their counterparts overseas, sharing insights and best practice, to the betterment of libraries and communities worldwide.

Australian public libraries are staffed by qualified library and information and other professionals and can benefit from the employment of people from related disciplines, such as IT, marketing, teaching and community engagement in support roles.

While reading and book borrowing (in all formats) remain at the heart of public libraries, new technologies play an increasingly important part in the service, both behind the scenes, with developments in library management and support systems, ebook and electronic resource platforms, and front of house, with PCs, tablets and other devices available for library users.

More space is being made available for individuals, families and groups. Study pods, technology-enabled meeting rooms, sound studios and other makerspaces support creative, digitally inclusive, learning communities. Library users are no longer passive consumers of content. They want to participate in programs and activities and create new works, whether literary, artistic, musical or functional.

Programs, exhibitions and other activities encourage library users to build on their existing skills and experiment with new ideas. Public libraries use the latest communication techniques and social media channels to promote the many opportunities they create for local people, contributing to recreational enjoyment, education outcomes, creativity, economic participation and prosperity.

The success of Australia's public libraries relies on commitment from all three levels of government. At the same time, libraries must ensure they have policies, guidelines, and procedures in place to respond to and meet relevant legislative requirements.

*Adopted 2004. Amended 2009 and 2018*





## Appendix C



Australian Library and  
Information Association



## Free access to information statement

### ALIA Constitution Objects addressed:

- To promote the free flow of information and ideas in the interest of all Australians and a thriving culture, economy, environment and democracy;
- To endorse the principles of the United Nations Universal Declaration of Human Rights Article 19 and the 2030 Sustainable Development Goals in response to the many challenges faced by the world today and into the future.

### Principle

Freedom can be protected in a democratic society only if individuals have unrestricted access to information and ideas.

### Statement

There are several different levels at which the free flow of ideas can be impeded.

- At the societal level, legislative bodies of all kinds are expected to consider the legal and regulatory frameworks they put in place to support the free flow of information and ideas about the interests and concerns of individuals.
- At the institutional level, library and information services are expected to encourage the free flow of information and ideas within the scope of their roles and responsibilities.
- At the personal level, individuals are expected to make informed decisions in exercising their rights and responsibilities.

The Australian Library and Information Association believes that library and information services have particular responsibilities in supporting and sustaining the free flow of information and ideas including:

1. Asserting the equal and equitable rights of individuals to information regardless of age, citizenship, political belief, physical or mental ability, gender identity, heritage, education, income, immigration and asylum-seeking status, marital status, origin, race, language, religion

[www.alia.org.au](http://www.alia.org.au)

9-11 Napier Close Deakin ACT 2600 | PO BOX 6335 Kingston ACT 2604 | ABN 40 090 953 236  
phone 02 6215 8222 | fax 02 6282 2249 | freecall 1800 020 071 | [enquiry@alia.org.au](mailto:enquiry@alia.org.au) | [ALIANational](#) | [@ALIANational](#)



or sexual orientation

2. Adopting an inclusive approach in developing and implementing policies regarding access to information and ideas that are relevant to the library and information service concerned, irrespective of the controversial nature of the information or ideas
3. Ensuring that individuals have access to information from a variety of sources and agencies to meet their needs and that an individual's information needs are met independently of location and an ability to pay, and therefore supporting internet neutrality
4. Catering for interest in contemporary issues without promoting or suppressing particular beliefs and ideas
5. Protecting the confidential relationships that exist between the library and information service and its clients
6. Resisting attempts by individuals or groups within their communities to restrict access to information and ideas while at the same time recognising that powers of censorship are legally vested in state and federal governments
7. Observing laws and regulations governing access to information and ideas but working towards the amendment of those laws and regulations which inhibit library and information services in meeting the obligations and responsibilities outlined in this statement.

Adopted 2001. Amended 2007, 2015. Reviewed 2018.

(Replaced "Free library services to all, freedom to read". Adopted 1971; amended 1979, 1985)

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## Appendix D



# ALIA on online content regulation

## ALIA objects addressed

To promote the free flow of information and ideas in the interest of all Australians and a thriving culture, economy and democracy.

## Principle

Freedom can be protected in a democratic society only if its citizens have unrestricted access to information and ideas.

## Statement

Libraries and information services facilitate and promote public access to the widest variety of information, reflecting the plurality and diversity of society. The selection and availability of library materials and services, including online content and services, is governed by professional considerations and not by political, moral and religious views.

Libraries and information services support the right of all users to unhindered access to information of their choice regardless of format. Access to electronic information resources should not be restricted except as required by law and this basic right should not be eroded in the development of regulatory measures for online information.

Users are assisted with the necessary skills and a suitable environment in which to use their chosen information sources and services freely and confidently. Each user's right to privacy and confidentiality is protected with respect to information sought or received and resources consulted.

In addition to the many valuable resources available on the internet, some are incorrect, misleading and may be offensive. Libraries and information services proactively promote and facilitate responsible access to quality networked information for all their users, including children and young people. They enable library users to learn to use the internet and electronic information efficiently and effectively.

*Adopted 1997. Amended 2001, 2002.*





## Inverell Shire Public Library

### Reconsideration Request – Library Item

Name:..... Email:.....

Phone:..... Address for correspondence: .....

Relationship to Library: ☐ Member ☐ Parent/ Guardian of member

☐ Resident of Inverell Shire ☐ Other .....

This request is on behalf of: ☐ Myself/ family member ☐ Organisation .....

Title:..... Author:.....

Format: Book DVD Other.....

Have you read / watched the item in its entirety: Yes / No

Have you read the Inverell Shire Library Collection Development policy and its appendices: Yes / No

How did you become aware of this item: .....

What are your concerns about this item (please be specific, and provide page numbers / quotes/ timestamp for DVDs to illustrate your concerns -additional pages may be attached)

.....  
 .....  
 .....  
 .....  
 .....  
 .....

How does this item breach the Inverell Library Collection Development Policy:

.....  
 .....

What is your desired outcome:

☐ Item moved to a different part of the collection .....

☐ Item removed from collection

☐ Other.....

Signature:..... Date:.....

\*One item per form. The form must be completed in full.\*

**10.6 ANNUAL REPORT FROM THE CHAIR OF AUDIT, RISK AND IMPROVEMENT COMMITTEE****File Number:** S4.11.21 / 23/40678**Author:** Paul Pay, Director Corporate and Economic Services**SUMMARY:**

Mr Phil Schwenke will present his Annual Report on the activities of the Audit, Risk and Improvement Committee (ARIC).

**RECOMMENDATION:**

*That Standing Orders are suspended to allow Mr Phil Schwenke, Chair of the Audit Risk and Improvement Committee to present his Annual Report on the activities of the Committee.*

*On Resuming the meeting:*

- 1. That Mr Phil Schwenke, Chair of the Audit Risk and Improvement Committee be thanked for his Annual Report on the activities of the Committee; and*
- 2. The report, as tabled, be received and noted.*

**COMMENTARY:**

It is recommended that Standing Orders be suspended to allow Mr Phil Schwenke to present a synopsis of his Report as Chair of the Audit Risk and Improvement Committee (ARIC).

A copy of Mr Schwenke's report is attached for the information of Council.

**RISK ASSESSMENT:**

One of the ARIC principle roles is to facilitate effective Enterprise Risk Management.

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil

**LEGAL IMPLICATIONS:**

An ARIC is part of the Governance structure of the organisation. It is not an Advisory Committee under S355 LGA 1993, however; its role is advisory, having no other authority or delegation to make decisions or incur expenditure. It cannot make nor ratify management decisions and cannot absolve either Council or Management of their responsibilities. Council cannot delegate its responsibilities to an ARIC.

**ATTACHMENTS:**

- 1. 2023 ARIC Chair's Report** [↓](#)



Report by the Chair of the Inverell Shire Council Audit, Risk and Improvement Committee  
(ARIC) to Inverell Shire Council - December 2023

This report is submitted by the Chair of the Inverell ARIC to the Mayor and Councillors of Inverell Shire Council.

## 1. Role and Membership of the Committee

The ARIC's responsibilities and activities are governed by its Charter and ARIC members must act within the boundaries of the *Model Code of Conduct for Local Councils in NSW 2020*.

The ARIC's Charter and associated internal audit procedures are due to be updated commencing 1 July 2024 in line with new Office of Local Govt. (OLG) Guidelines – see section 1.3.1 of this report for details.

The concept behind the ARIC and its associated internal audit function is that they form part of a three lines of defence model providing 'combined assurance' alongside efforts by management, the external auditor and the Office of Local Government. To fulfil its role effectively the ARIC sets its own work plan and maintains an independent view.

However, the ARIC's role is advisory, having no other authority, no delegation to make decisions nor incur expenditure, it cannot make or ratify management decisions and cannot absolve either Council or Management of their responsibilities. Importantly, Council cannot delegate its responsibilities to an ARIC.

### 1.1 Membership.

Current Committee Members appointed by Council are:

Mr Phil Schwenke	Independent Member (Chair)
Mr Les Hullick	Independent Member
Cr Nicky Lavender	Councillor Representative

The current ARIC was appointed following Council elections in late 2021, however its members including the Chair have experience with the ARIC in its previous (inaugural) term. Cr Lavender was formerly an independent member of the previous ARIC but retired from the role as an independent member prior to running for election as a Councillor.

The following non-voting attendees are invited to attend meetings on an ex-officio basis:

- The General Manager
- The Director Corporate and Economic Services (who acts as Head of Internal Audit)
- The Manager Financial Services
- Representatives from the NSW Audit Office as external auditor.

Other staff and stakeholders are invited to attend on an 'as required' basis, this includes internal auditors who are engaged on a contract basis.

### 1.2 Meetings

The ARIC aims to meet at least four times a year and summary minutes of each meeting are reported to the next Council meeting. One meeting is timed to work in with the external auditor to provide Council with ARIC observations on the Annual Financial Statements, particularly its confidence or otherwise in the operating environment of Council.

Report by the Chair of the Inverell Shire Council Audit, Risk and Improvement Committee  
(ARIC) to Inverell Shire Council - December 2023

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ARIC meetings for the 2023 calendar year were:

Meeting Dates	Attendance
14 March 2023	All members
27 June 2023	All members
26 September 2023	All members
14 November 2023	Cr Lavendar absent (with notice), all others attended

### 1.3 State of Play

The ARIC's modes of operation are via five mechanisms:

- Formal committee processes with the ability to ask questions of management and others (e.g. the external auditor and in certain circumstances Council employees)
- Monitoring of OLG compliance calendar reports and internal budget review reports
- The ability to request specific internal reports from management on any aspect of Council operations/policy (e.g. Policy renewal and possible updates needed)
- State Audit Office performance audits on various aspects of Local Government are also considered as are topical reports released by other agencies from time to time. For example, Statecover Mutual's observations regarding WHS
- The ability to commission targeted internal audit work within budget, currently performed by external contractors on a quoted basis. An internal audit work plan is developed by the ARIC with the aim of progressive implementation over its term.

#### 1.3.1 Updated ARIC Guidelines – Implementation Pending

The ARIC's Charter and work to date has been based on the OLG 2010 guidelines.

As flagged last year, new draft ARIC guidelines were released by the OLG with full implementation required by 1 July 2024 (originally, full adoption was required by 2027). The draft Guidelines have just received OLG approval. These were released with links via OLG circular 23-15, dated 4 December 2023. Some transitional issues with the new guidelines include:

- Three, instead of two Independent ARIC members will be required from 1 July 2024
- A Councillor representative will not be able to be a voting member on an ARIC. The Inverell ARIC has found that the presence of a Councillor in ARIC meetings provides a direct link between Governance (Council) and the ARIC; So while a Councillor in future ARICs may not be able to vote, the direct link to Governance can nonetheless be retained.
- There are detailed ARIC Terms of Reference (TOR – replacing the current ARIC Charter) as well as an Internal Audit Charter. Combined, these provide much greater information around the internal audit function. Council policy and procedures are required to be in line with the detail of these documents by the due date.

Report by the Chair of the Inverell Shire Council Audit, Risk and Improvement Committee (ARIC) to Inverell Shire Council - December 2023

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- The ARIC has reviewed its proposed new TOR and the new arrangements for the Internal Audit function (Internal Audit Charter). Now that the OLG, ARIC Guidelines have been approved, a report to Council for adoption of needed changes has been flagged by management for presentation to Council in the New Year.
- Access by Councillors to ARIC reports (e.g. internal audits) differs to the existing policy setting adopted by Council. The new Guidelines limit access by individual Councillors, instead preferring a full Council resolution approach for access. Arguably, it is contradictory to allow a Councillor representative to attend ARIC meetings but to then also require a Council resolution to access ARIC reports, so some matters and approaches will need to be resolved over time.
- To provide sufficient handover to a new Chair, its anticipated that the current Chair will step back from this role around March 2024, moving to fill one of the ordinary independent member ARIC roles instead - through at least until December 2024. Accordingly, management will be seeking Council approval to advertise for a new Chair at Council's December 23 meeting.
- The current Chair will conduct a review of ARIC performance over the next few months. It is hoped that among other things, this will be a useful transitional tool for induction of the new Chair.
- Under the new Guidelines, Council will also carry responsibility for reviewing the performance of the ARIC, whereas current policy allows the ARIC Chair to provide this.

The above transitional issues (and possibly others) will need to be re-checked off against the final, just approved OLG, ARIC guidelines.

## 2.0 Work and Achievements of the Committee 2023

The ARIC's work continued across the six key areas of its Charter:

- Enterprise Risk Management;
- Control Framework;
- External Reporting;
- Legislative Compliance;
- Internal Audit; and
- System Improvements (stemming from the above).

Attachment A is a summary report (table form) from Council's Head of Internal audit. This provides an overview of tasks tracked across the year progressively through the ARIC business papers.

Additional commentary on the above six key areas for 2023 is summarised below:

### 2.1 Enterprise Risk Management (ERM)

The ARIC continues to monitor Council's overall approach to Risk Management. In 2023 the ARIC continued this work by:

- Suggesting improvements to Council's Risk Register. While Council's current register is a good generic register it needs updating and better tailoring to current risks. For example, cyber-attack risks and related controls.

Report by the Chair of the Inverell Shire Council Audit, Risk and Improvement Committee (ARIC) to Inverell Shire Council - December 2023

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- Reviewing internal reports from Council's Risk Coordinator and others
- Receiving regular progress updates from management on flagged system issues and improvements
- Participating in Council's revamp of its risk appetite statements. Review and inclusion of risk appetite has been an important improvement in Council's overall approach to risk management but there is more scope for improvement with risk management overall.

## 2.2 Control Framework and Legislative Compliance

Through regular updates from management, the ARIC continues to monitor a full policy review schedule implemented by Management (including policies requiring Council re-endorsement).

More broadly the ARIC's work in this area covers:

- The adequacy (and currency) of Council policies. The policy review schedule (mentioned above) represents a major update of all policies to improve their currency
- The adequacy of procedures associated with each policy and the extent to which policies and procedures are actually deployed as they should be (This overlaps with commissioned Internal Audit work)
- High level compliance and reporting matters flagged in the Calendar of Compliance and Reporting Requirements from the Office of Local Government.

## 2.3 External Reporting

Typically, the ARIC considers the External Auditors interim findings, the Audit Opinion and the matters arising highlighted in the Auditor's letters to Management as well as input from the Head of Internal Audit and the External Auditor directly. This is supplemented by the ARIC's own work by way of questions and experience in these matters.

A key function of the ARIC is also to decide if it can express reasonable confidence (or not) in support of a recommendation to Council on the annual Financial Statements.

From time to time, ARIC members, either individually or as a committee also review NSW Audit Office Performance Audits on Local Government to assess their relevance to Inverell Shire.

## 2.4 Internal Audit and System Improvement

By definition, internal audit is a program of investigations aimed at evaluating and improving the effectiveness of risk management, control and governance processes in an organisation.

As an economy measure, Council has no in-house internal audit capacity or ongoing arrangements with contracted internal auditors. Instead, the ARIC relies primarily on a panel of State Government, prequalified suppliers for contracted, Internal Audit services as required.

Among other things, the ARIC tracks recommendations from all internal audits and follows up with management across time on implementation.

The ARIC has a three-year internal audit plan through to the end of 2024. This was presented to Council in 2022. Implementation of this plan through 2022 and 2023 has seen significant slippage. Last year I reported on steps Management intended to take to address internal audit program slippage.

However, it's apparent that the backlog of audits continued to slide over the 2023 calendar year. While COVID and other factors have contributed to delays, ARIC-instigated internal

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audits are carried out by contractors. The primary load on Council staff/management and the ARIC is to ensure audit TOR are adequate and then if required to answer audit questions from the selected contract auditor.

Ongoing delay to the internal audit program raises some questions for Council and management. For example, should management place a higher priority on the internal audit function given its important link to Risk Management and improvement? If so, is the current management structure and its coupled internal audit function adequate to the challenge? How well does Council's overall Risk Management approach fit relative to the ISO Risk Management standard which is a core requirement under the new guidelines? Is the internal audit function too key-person dependent? In the context of other relevant improvement activity is the number of annual internal audits too ambitious? While these questions are easy to ask, possible solutions are more difficult.

## 2.5 Significant Matters

1. As stated above in section 2.4, slippage continues in the internal audit program of the ARIC. Accordingly, management is aware of these issues and has re-voted unused internal audit funds to the 23-24 year to ensure adequate resources to help address this. The upside to slippage in the current Internal Audit program is that to some extent the start of the new ARIC audit program (commencing 1 July 2024) could be pre-loaded with backlog audits from the current program; noting that under the new ARIC Guidelines audit programs should cover 4 years (current and previous plans have been across 3 years).
2. As required, Council continued to carry Rural Fire Service assets on its Balance Sheet at 30 June 2023. This remains a contentious issue across the local government sector in NSW. A private member's bill has been introduced to the NSW Parliament to try to remove this requirement but the outcome of that process at the date of this report is unknown.
3. Cyber security remains a key matter flagged in prior year reports. This is in line with contemporary cyber risks and threats across society, government and industry. Management has been able use the services of Cyber NSW to 'strength test' systems and processes. Internally other checks around password and access control have ensued. Improvements have resulted from this activity but this will remain an ongoing challenge as technology continues to evolve.
4. Building on an earlier WHS audit by StateCover, early in its term, the ARIC commissioned an internal audit on Workplace Culture and Wellbeing. The ARIC continues to query whether a step change improvement was observable in workplace culture and wellbeing at ISC (flowing from this earlier work). A follow-up review/internal audit addressing this issue is pending.
5. As previously stated, new OLG, ARIC and Internal Audit Guidelines are set to come into effect from 1 July 2024. Refer section 1.3.1.

Phil Schwenke  
Chair  
Inverell Shire Council ARIC

Report by the Chair of the Inverell Shire Council Audit, Risk and Improvement Committee (ARIC) to Inverell Shire Council - December 2023

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**Attachment A**

**Summary of ARIC Activities 2023**

**December 2022**

- Reviewed Chairs annual report to Council. Report included three significant matters for Council to consider:
  - The carrying amount of RFS assets on Councils Balance Sheet;
  - Cyber Security;
  - Workplace Wellbeing Audit.
- Review of Councils 30 September 2022 Quarterly Budget Review.
- Review final 2021/2022 Audited Financial Statements.
- Consideration of External Audit report on the conduct of the Audit.
- Presentation from NSW Audit Office on the 2021/2023 Engagement Closing Report.
- Compliance Reporting – Strategic Tasks sign off.
- Internal Audit Program - Review Part 1 – Cyber Security.
- Review of ARIC Outstanding Actions progression.
- Update on WHS Management Systems progression.
- Review of Internal Audit Outstanding Actions progression.
- Set ARIC meeting dates for 2023.

**March 2023**

- Review of Council's 31 December 2022 Quarterly Budget Review.
- Discuss NSW Audit Office Performance Reports:
  - Development Application - assessment and determination stages – December 2022;
  - Planning and Environment - December 2022;
  - Cyber Security NSW - governance, roles, and responsibilities – February 2023;
  - Planning and managing Bushfire Equipment - February 2023.
- Reviewed Council's endorsed Risk Appetite Statement and supported the Statement's inclusion in Council's Risk Management Framework.
- External Audit 2021-2022 Management Letter:
  - Excessive Annual Leave Management (repeat issue);
  - Revaluation of Infrastructure, property, plant and equipment (IPPE);
  - Fully depreciated assets still in use.
- Compliance Reporting – Strategic Tasks sign off.
- Internal Audit Program - Review Part 2 – Cyber Security.
- Review of ARIC Outstanding Actions progression.
- Update on WHS Management Systems progression.
- Review of Internal Audit Outstanding Actions progression.
- Review Office of Local Government (OLG) draft Guidelines for Risk Management and Internal Audit for Local Government in NSW.

**June 2023**

- Discuss NSW Audit Office Performance Reports:
  - Financial Management and Governance in Mid Coast Council – June 2023;
  - Regulation and Monitoring of Local Government – May 2023;
  - Natural Disasters – June 2023;
  - Local Government 2022 – June 2023 (refer to separate report).
- 2023 Audit Engagement Plan presented for Committee's information.
- Compliance Reporting – Strategic Tasks sign off.
- Internal Audit Program - Review Part 2 – Cyber Security.
- Review of ARIC Outstanding Actions progression.

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Report by the Chair of the Inverell Shire Council Audit, Risk and Improvement Committee  
(ARIC) to Inverell Shire Council - December 2023

- 
- Update on WHS Management Systems progression.
  - Review of Internal Audit Outstanding Actions progression.
  - Discussed ARIC Membership in accordance with new OLG draft Guidelines for Risk Management and Internal Audit for Local Government in NSW. Recommend to Council that from July 2024 membership consist of one Independent Chair, two Independent Members and one non-voting Councillor.
  - Discussed ARIC Terms of Reference in accordance with new OLG draft Guidelines for Risk Management and Internal Audit for Local Government in NSW.
  - Review of Council's 31 March 2023 Quarterly Budget Review.
  - Revise ARIC meeting dates.

**September 2023**

- Review Council's Risk Management Framework.
- Review draft 2022/2023 Financial Statements and It be recorded as a committee, we have a reasonable level of confidence that the draft 2022/2023 annual financial report is prepared in accordance with:
  - the *Local Government Act 1993* (as amended) and the Regulations made there under,
  - the Australian Accounting Standards and professional pronouncements, and
  - the Local Government Code of Accounting Practice and Financial Reporting, and
  - presents fairly the Council's operating result and financial position for the year, and
  - accords with Council's accounting and other records; and
  - that the Committee is not aware of any matter that would render this report false or misleading in any way.
- Compliance Reporting – Strategic Tasks sign off.
- Internal Audit Program - Review HR Management Audit.
- Internal Audit Program - Review Part 3 – Cyber Security.
- Review of ARIC Outstanding Actions progression.
- Update on WHS Management Systems progression.
- Review of Internal Audit Outstanding Actions progression.
- Review ARIC Terms of Reference in accordance with new OLG draft Guidelines for Risk Management and Internal Audit for Local Government in NSW. Recommend to Council to adopt draft model Charter with a few minor amendments.

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**10.7 NEW FLOOD RISK MANAGEMENT MANUAL****File Number:** S18.6.34 / 23/40692**Author:** Anthony Alliston, Manager Development Services**SUMMARY:**

The *Flood Risk Management Manual* was gazetted in June 2023 as a policy and manual relating to the management of flood-liable land for the purposes of Section 733 of the *Local Government Act 1993*. It replaced the *Floodplain Development Manual (2005)*. Related planning legislation was also amended on 10 November, 2023 to reference the new *Flood Risk Management Manual*.

The purpose of this report is to inform Council in regard to some of the broad implications associated with the new *Flood Risk Management Manual (2023)* and some of the future actions that will be required by Council to assist in reducing the impacts of flooding on owners and occupiers of flood-prone property.

It is recommended that a further report be presented to Council detailing a course of action to meet the requirements contained within (and as a result of gazettal of) the *Flood Risk Management Manual 2023*.

**RECOMMENDATION:**

*That a further report be presented to Council detailing a course of action to meet the requirements contained within (and as a result of gazettal of) the Flood Risk Management Manual 2023.*

**COMMENTARY:**Background

The *Flood Risk Management Manual* was gazetted in June 2023 as a policy and manual relating to the management of flood-liable land. The *Flood Risk Management Manual 2023* supports the 1984 *NSW Flood Prone Land Policy* and guides Councils in managing flood risk to their communities through the Flood Risk Management Framework. This includes helping Councils develop and implement Flood Risk Management Plans for their communities. The manual also outlines the technical assistance provided to Councils by the NSW Government.

In addition, on 10 November, 2023, the *Environmental Planning and Assessment Amendment (Flood Planning) Regulation 2023* was published on the NSW legislation website. It amended the *Environmental Planning and Assessment Regulation 2021* and replaced references to the *Floodplain Development Manual*, published by the NSW Government in April 2005, with references to the new *Flood Risk Management Manual*, published by the NSW Government in June 2023.

On the same day, the *State Environmental Planning Policy Amendment (Flood Planning) 2023* was made which inserted a new Clause 5.22 (Special flood considerations) into numerous local environmental plans dealing with 'special flooding considerations.'

*Inverell Local Environmental Plan 2012 – Clause 5.22 (Special flood considerations)*

With reference to the report on the "Special Flood Consideration Clause" to the Civil and Environmental Services Committee on 8 February 2023, Inverell made a submission to the effect that Council did not support the inclusion of Clause 5.22 into the *Inverell Local Environmental Plan 2012*. This was on the basis that Inverell like most other NSW Councils did not have accurate and up-to-date data on flooding and PMFs. A copy of the February 2023 Committee report is included as **Attachment 1**.

As such, it appears that the NSW Department of Planning only inserted Clause 5.22 into Council's *Local Environmental Plans* where it was specifically requested. Therefore Clause 5.22 (Special flood considerations) is not included in the *Inverell Local Environmental Plan 2012*.



### Significance of the *Flood Risk Management Manual* for Council

Moving forward, Council will need to substantially comply with the principles of the *Flood Risk Management Manual 2023* (2023 Manual) in order to provide the best possibility of having the statutory protection from civil liability under Section 733 of the *Local Government Act 1993* in connection with their planning actions.

### Flood Risk Management Framework

The 2023 Manual assists in the development and implementation of strategies to help Council manage flood risks and in doing so, achieve the primary objective of the NSW Government's Flood Prone Land Policy, which '*is to reduce the impacts of flooding and flood liability on communities and individual owners and occupiers of flood prone property, and to reduce private and public losses resulting from floods, utilising ecologically positive methods wherever possible.*'

The *Flood Risk Management Manual 2023* can be found at the link below:

<https://www.environment.nsw.gov.au/-/media/OEH/Corporate-Site/Documents/Water/Floodplains/flood-risk-management-manual-2023-230220.pdf>

A key element of the 2023 Manual is the formulation and implementation of *Flood Risk Management Plans* (FRM Plans), formerly called *Floodplain Risk Management Plans*, which are developed as part of a broader *Flood Risk Management Process* (FRM Process), formerly called the *Floodplain Risk Management Process*.

Unlike the 2005 Manual, the 2023 Manual integrates both FRM Plans and the FRM Process within a broader "*Flood Risk Management Framework*" (FRM Framework). It is intended that Councils should apply the FRM Framework, including the FRM Process, guided by the following 10 principles which are intended to achieve the primary objective of the NSW Government's Flood Prone Land Policy:

1. Establish sustainable governance arrangements;
2. Think and plan strategically;
3. Be consultative;
4. Make flood information available;
5. Understand flood behaviour and constraints;
6. Understand flood risk and how it may change;
7. Consider variability and uncertainty;
8. Maintain natural flood functions;
9. Manage flood risk effectively; and
10. Continually improve the management of flood risk.

These are the principles which must be complied with for the purposes of the good faith defence under Section 733 of the *Local Government Act 1993*. The 2023 Manual does not just list the above principles but provides significant detail in respect of each.

The FRM Framework requires Councils to undertake activities, outside of the FRM Process, which are aligned with the policy and the principles of the 2023 Manual. These activities include:

- Strategic Flood Risk Management (FRM) activities, including monitoring current FRM activities and implementing a vision, objective and principles for FRM within the context of their own LGA;
- Core FRM activities, which are outside the strategic FRM activities and the FRM Process and include obtaining and maintaining the best available information on flooding, the limitations of information, community engagement and post-flood data collection and analysis; and

- Activities to consider the ways in which flooding impacts decision-making and presents risks to local communities, such that Councils (in consultation with the State Government) can more effectively plan for flooding, develop infrastructure and rebuild if a flooding event does occur.

These FRM Framework activities are separate from and in addition to the development and implementation of FRM Plans via the FRM Process. There is however considerable overlap such that the FRM activities feed into the development, implementation and ongoing review of FRM Plans.

#### Flood Risk Management Toolkit

The Flood Risk Management Framework activities are supported by the “FRM guideline AG01”, which contains additional advice on the delivery of those activities under the FRM Framework and FRM Process. AG01 is itself part of a larger suite of Flood Risk Management resources that, together, form the Flood Risk Management toolkit (FRM Toolkit). A link to the FRM Toolkit is provided below:

<https://www.environment.nsw.gov.au/research-and-publications/publications-search/flood-risk-management-guide-administration-arrangements>

The FRM Toolkit complements the 2023 Manual and provides support and technical assistance to Councils in managing the risk of floods in their communities by providing general guidance, resources to better understand flood behaviour and managing flood risk and support for flood emergency management planning.

#### Actions for Council

Following publication of the 2023 Manual and subsequent amendment to planning legislation, it is considered that Council should give consideration to:

- ensuring systems are up to date to properly identify land in the flood planning area and between the flood planning area and probable maximum flood as defined in the 2023 Manual;
- acting in compliance with the principles of the 2023 Manual in making planning decisions and providing advice on flooding;
- ensuring policies and planning instruments adequately reflect the principles of the 2023 Manual as complemented by the FRM Toolkit; and
- complying not only with the FRM Process in developing FRM Plans, but also with the broader FRM Framework.

#### Conclusion

The *Flood Risk Management Manual* was gazetted in June 2023 as a policy and manual relating to the management of flood-labile land. The *Flood Risk Management Manual* supports the 1984 NSW Flood Prone Land Policy and guides Councils on managing flood risk to their communities through the *Flood Risk Management Framework*.

Moving forward, Council will need to substantially comply with the principles of the *Flood Risk Management Manual 2023* in order to provide the best possibility of having the statutory protection from civil liability under Section 733 of the *Local Government Act 1993* in connection with their planning actions.

In relation to the actions required by Council following gazettal of the *Flood Risk Management Manual 2023* and associated amendment to planning legislation, it is recommended that a further report be presented to Council detailing a course of action to meet the requirements contained within (and as a result of gazettal of) the *Flood Risk Management Manual 2023*.

**RISK ASSESSMENT:**

Council will need to substantially comply with the principles of the *Flood Risk Management Manual 2023* in order to provide the best possibility of having the statutory protection from civil liability under Section 733 of the *Local Government Act 1993* in connection with their planning actions.

**POLICY IMPLICATIONS:**

Subject to undertaking Shire-wide flood studies and the actions required by the *Flood Risk Management Manual 2023* and the Flood Risk Management Framework, this may necessitate changes to Council's statutory planning policy controls.

**CHIEF FINANCIAL OFFICERS COMMENT:**

As referenced in the Civil and Environmental Services Committee Report 8 February 2023, the cost of a Shire-wide flood study would likely be in excess of \$500K. It is anticipated that Council would need to seek an appropriate level of funding from the NSW Government.

**LEGAL IMPLICATIONS:**

Council will need to substantially comply with the principles of the *Flood Risk Management Manual 2023* in order to provide the best possibility of having the statutory protection from civil liability under Section 733 of the *Local Government Act 1993* in connection with their planning actions.

**ATTACHMENTS:**

1. **Committee Report - February 2023 - Special Flood Consideration Clause** [↓](#)

**5.5 SPECIAL FLOOD CONSIDERATION CLAUSE****File Number:** S18.6.34 / 23/3379**Author:** Anthony Alliston, Manager Development Services**SUMMARY:**

NSW Department of Planning and Environment are seeking submissions from Councils in regard to a potential “*Special Flood Considerations Clause*” to be included within clause 5.22 of the Standard Instrument—Principal Local Environmental Plan and ultimately mandated in clause 5.22 of the *Inverell Local Environmental Plan 2012*.

The purpose of this report is to provide the Civil and Environmental Services Committee with information and discussion on the Special Flood Considerations Clause.

The Committee is being asked to note the information and the intention for Council staff to make an on-line submission advising that Inverell Shire Council does not support the one-size-fits-all inclusion of the Special Flood Considerations Clause across the state and into the *Inverell Local Environmental Plan 2012*.

**RECOMMENDATION:**

*The Committee recommends to Council that Council endorse the intent of the submission as outlined in the report regarding the potential mandating of a Special Flood Considerations Clause.*

**COMMENTARY:**Background

In July 2021, the NSW Department of Planning and Environment released a flood-prone land package which was intended to provide advice and guidance to Councils in the consideration of flooding in land-use planning.

The updated guidance was anticipated to support:

- better management of flood risk beyond the 1% annual exceedance probability;
- best management practices in managing and mitigating severe to extreme flood events; and
- greater resilience built into communities in floodplains and reduces potential property damage and loss of life in recognition of increasing extreme flood events throughout NSW.

As part of the flood-prone land package only 32 Councils “self-nominated” to amend their Local Environmental Plans by inserting an “optional” Special Flood Considerations Clause.

Inverell did not self-nominate to include the “optional” Special Flood Considerations Clause into the *Inverell Local Environmental Plan 2012*.

It should be noted that the 32 Councils that opted to include the “optional” Special Flood Considerations Clause into their Local Environmental Plan represent only 25% of Councils within NSW (there are 128 Councils in NSW). It should also be noted that the Councils who opted in are primarily metropolitan and coastal Councils.

The Proposed Special Flood Considerations Clause

NSW Department of Planning and Environment are proposing the “*Special Flood Considerations Clause*” to be included a clause 5.22 of the Standard Instrument—Principal Local Environmental

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Plan and ultimately mandated in clause 5.22 of the *Inverell Local Environmental Plan 2012* (if adopted).

The special flood considerations clause would apply to:

- sensitive and hazardous development, such as caravan parks, hospitals and seniors housing, between the flood planning area and the probable maximum flood level; and
- development that is not sensitive or hazardous on land that the consent authority considers that, in a flood, may pose a particular risk to life and where people may need to evacuate or there are other safety concerns.

The NSW Department of Planning and Environment believes the Special Flood Considerations Clause will build resilience in future development, as well as reducing the extent of property damage and potential loss of life from severe to extreme flooding – “*Keeping our communities safe and building resilience*”.

The intention of the clause is to manage the flood risk between the “flood planning area” and the “probable maximum flood”.

**Attachment 1** includes a copy of the proposed clause 5.22.

On face value it appears that the proposed Special Flood Considerations Clause would only be applied to the 32 councils that self-nominated to include the clause into their Local Environmental Plan.

However, in response to the recommendations of the independent 2022 NSW Flood Inquiry conducted by Mary O’Kane and Mick Fuller, the department is now seeking feedback from Councils on applying the clause to all NSW Councils, by inserting the clause in either:

- all NSW Council LEPs, or
- the State Environment Planning Policy (Resilience and Hazards) 2021 (Resilience and Hazards SEPP).

#### Flood Planning Area and Probable Maximum Flood

The definitions of “flood planning area” and the “probable maximum flood” are provided below:

**flood planning area** - the area of land below the flood planning level and thus subject to flood related development controls. The concept of flood planning area generally supersedes the “flood liable land” concept in the 1986 Manual.

**probable maximum flood** - the PMF is the largest flood that could conceivably occur at a particular location, usually estimated from probable maximum precipitation, and where applicable, snow melt, coupled with the worst flood producing catchment conditions. Generally, it is not physically or economically possible to provide complete protection against this event. The PMF defines the extent of flood prone land, that is, the floodplain. The extent, nature and potential consequences of flooding associated with a range of events rarer than the flood used for designing mitigation works and controlling development, up to and including the PMF event should be addressed in a floodplain risk management study.

For Inverell the “flood planning area” is defined by the 1991 flood which equates to the 1:100-year flood event. The “probable maximum flood” on the other hand has been estimated to be 8-10 metres above the 1991 flood level which equates to a 1:100,000-year event.

**Attachment 2** includes a plan showing the extent of the 1991 flood and the “estimated” probable maximum flood for the Inverell township. There is no mapping of the PMF outside Inverell.

*Note – The probable maximum flood (PMF) as shown on **Attachment 2** is estimated based on calculations made by NSW Water Resources and David Jones in 1994. To accurately map the probable maximum flood substantial flood studies and calculations would need to be undertaken by specialist consultants at significant expense and resources to Council.*

The intention of the Special Flood Considerations Clause is to manage the flood risk between the “flood planning area” and the “probable maximum flood”. As can be seen from **Attachment 2**, for

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Inverell, this equates to a significant amount of the town including fully serviced employment and residential lands.

Submissions Period

NSW Department of Planning and Environment are now seeking submissions from NSW Councils in regard to applying a Special Flood Considerations Clause to all of NSW.

Council was notified of the submission period via e-mail on 17 January, 2023 and submissions must be received by 14 February, 2023. This time-frame does not give Council time to endorse a formal submission. It is therefore intended that Council staff make an on-line submission to the proposal.

Discussion

Council staff have only had a short time to review and analyse the exhibition material. Based on this review and consideration of the potential impacts of the proposed Special Flood Considerations Clause, the following broad comments are as follows:

- Inverell does not have accurate PMF information. The information available for the Inverell township being an estimate only. For Council to accurately and reliably apply the Special Flood Considerations Clause, an updated flood study would be required. An updated flood study would need to be undertaken shire-wide and should not be limited to the Inverell township.
- Prior to adoption of the Special Flood Considerations Clause, attention needs to be given to any unintended or unforeseen consequences, on the community, associated with PMF flood controls, such as sterilisation of serviced residential and employment land, location of existing sensitive land uses, property values and insurances.
- A Shire-wide flood study to determine the PMF (and flood behaviour) could not be completed in-house. Council would have to engage specialised consultants to complete this work. Costs would likely be in excess of \$500,000.
- The Special Flood Consideration Clause proposed by the NSW Department of Planning and Environment represents a "one size fits all approach". It is considered that each Council should be responsible for developing its own flood controls relevant to the risk and specific circumstances of the local government area.
- The community consultation undertaken by NSW Department of Planning and Environment is at best described as "high-level". The Department have not identified the land that would be impacted by the controls and has undertaken little to no direct engagement with Council or landowners that may be impacted by the new regulation.
- *"To determine the cause of the extreme rainfall events and subsequent flooding, formal scientific process with hypotheses, experimentation, analysis and interpretation is required"* (extract from 2022 Flood Inquiry, 29 July, 2022). It is considered that prior to mandating a one-size-fits-all approach across the state the NSW Government should at minimum, from a risk-based approach, determine the high-risk catchments across NSW and focus on those. Would the Inverell Shire be included as a high-risk catchment?

Council staff recognise the importance of considering the PMF for the "safety" and "resilience" of communities and the protection of life. However, the "one size fits all approach" by the NSW Department of Planning and Environment with minimal consideration of the real-world application of the Special Flood Considerations Clause should not be supported without question and further investigations.

Each individual council should be responsible for developing its own PMF controls which are risk-based and relevant to the local community. To support Council's consideration of the PMF, the NSW Government should first be providing "adequate" funding to enable Councils to undertake their required catchment flood studies.

To change the goal posts from an "optional" clause to potentially mandating the controls across the entire state with minimal consultation with Councils or communities is considered to be State

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Government overreach. The fact that the majority of NSW Councils will not have accurate and up-to-date data on flooding and PMFs flies in the face of the NSW Department of Planning's sustained assertion to Councils for "evidence based" strategic planning and decision making.

Council staff intend to make an on-line submission to NSW Department of Planning and Environment that Council:

- Does not support the blanket state-wide inclusion of the Special Flood Considerations Clause into the *Inverell Local Environmental Plan 2012* or *State Environmental Planning Policy (Resilience and Hazards) 2021*; and
- Recommends that prior to the implementation of the 5.22 Special Flood Considerations Clause, the NSW Government provide 100% funding to Councils to undertake the necessary flood studies.

The Committee is requested to note this information. Council's Manager Development Services is available should any Committee Member, or Councillor wish to discuss the submission prior to 14 February, 2023.

**RISK ASSESSMENT:**

There are inherent risks to Council in regards to flooding and the development assessment process irrespective of whether NSW Department of Planning and Environment mandate the Special Flood Consideration Clause to all NSW Councils, or not.

**POLICY IMPLICATIONS:**

Should the NSW Department of Planning and Environment determine to apply the Special Flood Consideration Clause to all NSW Councils, whether through a local environmental plan or State Environmental Planning Policies, Council would be required to consider this clause for development proposals, noting that the data at hand is not accurate or reliable.

**CHIEF FINANCIAL OFFICERS COMMENT:**

The preparation of updated flood studies and associated mapping cannot be undertaken in-house, with Council having to engage specialised consultants (likely at considerable cost) to complete this work.

**LEGAL IMPLICATIONS:**

Given the lack of reliable and accurate data and information for the probable maximum flood in the Inverell Shire, the legal implications of any decisions made under the Special Flood Considerations Clause are unknown.

**ATTACHMENTS:**

1. **5.22 Special flood considerations clause (optional)** [1](#)
2. **Estimated Probable Maximum Flood (PMF) 1994** [1](#)



## Standard Instrument—Principal Local Environmental Plan (2006 EPI 155a)

Current version for 1 December 2022 to date (accessed 1 February 2023 at 14:10)

[Part 5](#) > Section 5.22

### 5.22 Special flood considerations [optional]

- (1) The objectives of this clause are as follows—
  - (a) to enable the safe occupation and evacuation of people subject to flooding,
  - (b) to ensure development on land is compatible with the land's flood behaviour in the event of a flood,
  - (c) to avoid adverse or cumulative impacts on flood behaviour,
  - (d) to protect the operational capacity of emergency response facilities and critical infrastructure during flood events,
  - (e) to avoid adverse effects of hazardous development on the environment during flood events.
- (2) This clause applies to—
  - (a) for sensitive and hazardous development—land between the flood planning area and the probable maximum flood, and
  - (b) for development that is not sensitive and hazardous development—land the consent authority considers to be land that, in the event of a flood, may—
    - (i) cause a particular risk to life, and
    - (ii) require the evacuation of people or other safety considerations.
- (3) Development consent must not be granted to development on land to which this clause applies unless the consent authority is satisfied that the development—
  - (a) will not affect the safe occupation and efficient evacuation of people in the event of a flood, and
  - (b) incorporates appropriate measures to manage risk to life in the event of a flood, and
  - (c) will not adversely affect the environment in the event of a flood.
- (4) A word or expression used in this clause has the same meaning as it has in the Considering Flooding in Land Use Planning Guideline unless it is otherwise defined in this clause.
- (5) In this clause—

*Considering Flooding in Land Use Planning Guideline*—see clause 5.21(5).

*flood planning area*—see clause 5.21(5).

*Floodplain Development Manual*—see clause 5.21(5).

<https://legislation.nsw.gov.au/view/html/inforce/current/epi-2006-155a#sec.5.22>

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*probable maximum flood* has the same meaning as it has in the Floodplain Development Manual.

*sensitive and hazardous development* means development for the following purposes—

(a) [list land uses]

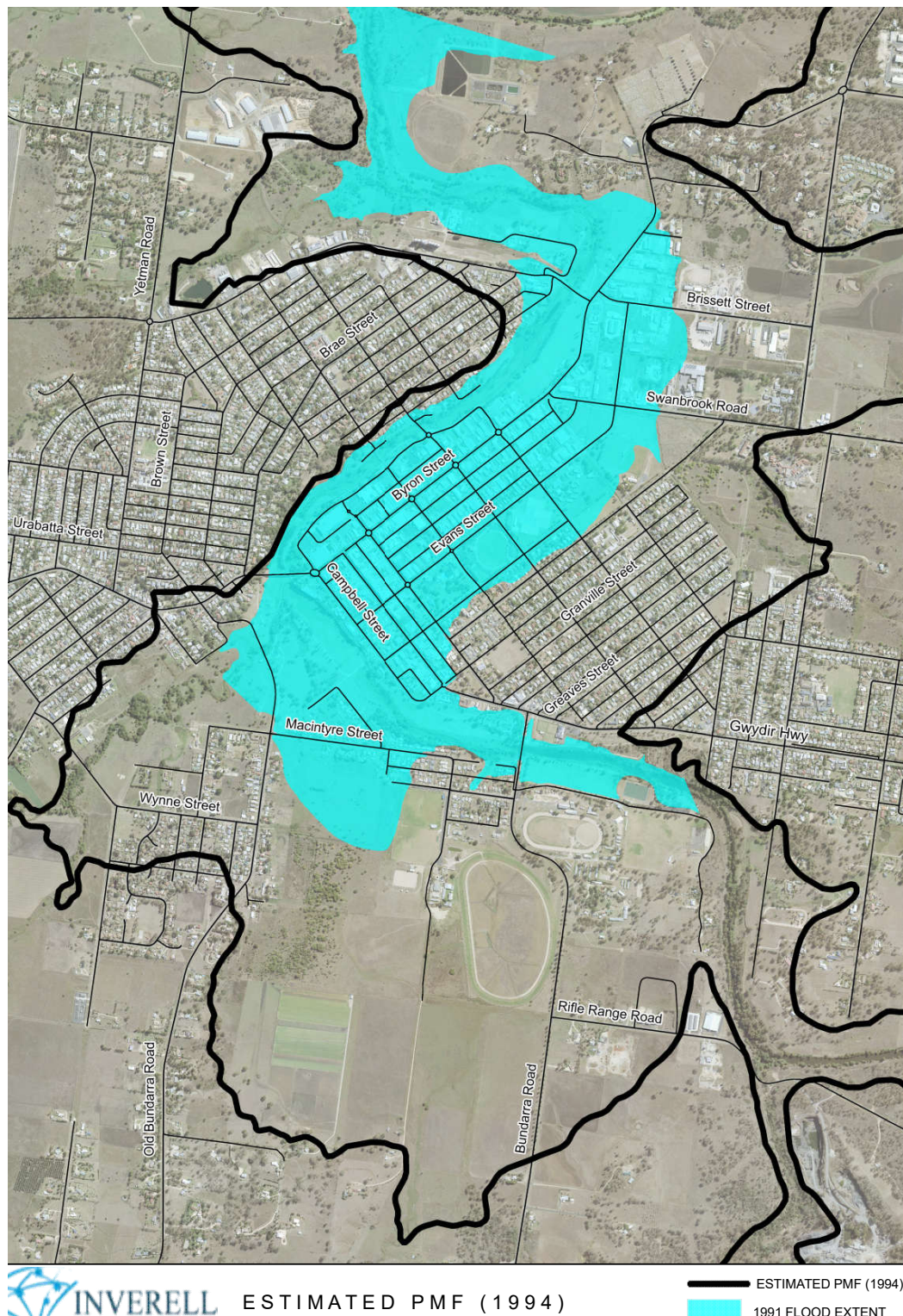
**Direction—**

Only the following land uses are permitted to be included in the list—

- (a) boarding houses,
- (b) caravan parks,
- (c) correctional centres,
- (d) early education and care facilities,
- (e) eco-tourist facilities,
- (f) educational establishments,
- (g) emergency services facilities,
- (h) group homes,
- (i) hazardous industries,
- (j) hazardous storage establishments,
- (k) hospitals,
- (l) hostels,
- (m) information and education facilities,
- (n) respite day care centres,
- (o) seniors housing,
- (p) sewerage systems,
- (q) tourist and visitor accommodation,
- (r) water supply systems.

<https://legislation.nsw.gov.au/view/html/inforce/current/epi-2006-155a#sec.5.22>

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**10.8 EXHIBITION - DRAFT ENERGY POLICY FRAMEWORK**

**File Number:** S18.6.52/10 / 23/40740

**Author:** Anthony Alliston, Manager Development Services

**SUMMARY:**

The NSW Department of Planning and Environment are proposing to implement an Energy Policy Framework to *“help achieve the transition to renewable energy, reduce emissions and secure an affordable supply of electricity for the people of NSW”*. The Draft Energy Policy Framework is currently on public exhibition until 29 January, 2024.

The purpose of this report is to provide Council with an overview of the Energy Policy Framework and the specific documents on exhibition.

It is recommended that Council endorse the intent of a submission to NSW Department of Planning and Environment as outlined in the report.

**RECOMMENDATION:**

*That Council endorse the intent of a submission to NSW Department of Planning and Environment as outlined in the report.*

**COMMENTARY:****Background**

The NSW Department of Planning and Environment (DPE) are proposing to implement an Energy Policy Framework to *“help achieve the transition to renewable energy, reduce emissions and secure an affordable supply of electricity for the people of NSW”*.

DPE intend on doing this through a suite of planning policies and guidelines for wind, solar, and transmission infrastructure. DPE consider that the Energy Policy Framework will support faster and more consistent decisions, provide industry greater investment certainty, and give communities more transparency about how renewable energy will be assessed and impacts managed.

The framework is intended to help ensure that communities benefit from renewable energy projects and it is estimated to generate \$413M in benefits for host communities over a 25-year period.

The DPE placed the Draft Energy Policy Framework on public exhibition in November 2023. Originally the time-frame to make comment on the framework was mid December 2023, however after stakeholder feedback the public exhibition period has been extended by six (6) weeks until 29 January 2024.

**What is the Draft Energy Policy Framework?**

The Draft Energy Policy Framework comprises a series of guidelines for wind and solar energy generation and transmission infrastructure.

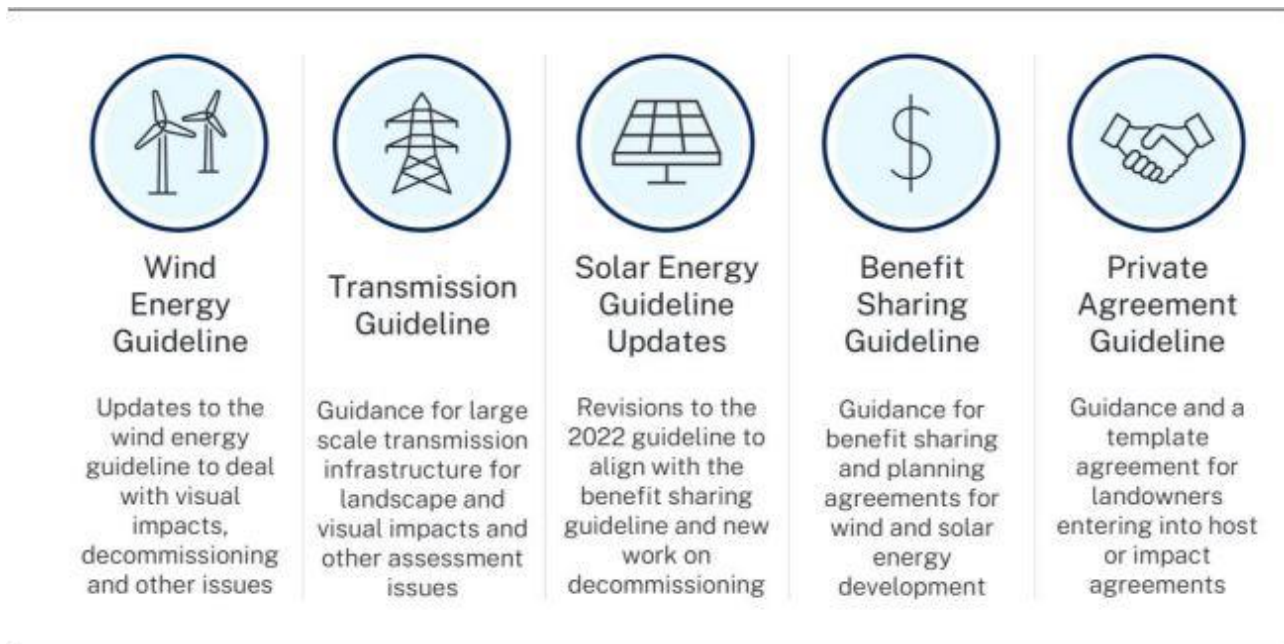
The Draft Energy Policy Framework is specifically designed to:

- Provide clearer, more transparent assessment requirements and policy settings to ensure the level of assessment matches the level of risk and to help speed up the assessment process;
- Help the industry make informed investment decisions by providing more objective development standards;
- Allow communities to anticipate changes to their areas more readily by identifying the most desirable locations for large-scale solar and wind energy development;
- Ensure that development is guided by meaningful consultation with affected communities;



- Introduce clear setbacks to avoid significant visual impacts from wind energy and transmission infrastructure and to set clear expectations for the industry and communities;
- Provide more transparency about the likely costs of decommissioning solar and wind energy development so the industry and landowners can make more informed investment decisions;
- Provide greater support to applicants and landowners entering into agreements to host infrastructure or manage the impacts of development; and
- Ensure the benefits of energy development are directly realised by the localities and regions that host the infrastructure.

The guidelines and the key components of the framework are summarised in **Figure 1** below.



**Figure 1 – Key Components of the Framework**

**Attachment 1** includes a copy of the “Draft Energy Policy Framework” which is a high-level overview of the new policy framework for the assessment of energy development and infrastructure in NSW.

For more detailed information in regard to each component of the framework, there are a series of “guidelines” and “calculators”. A summary is as follows:

- **Wind Energy Guideline**
  - Wind Energy Guideline
  - Technical Supplement for Landscape and Visual Impact Assessment
  - Technical Supplement for Noise Assessment
  - Wind Energy Decommissioning Calculator
- **Transmission Guideline**
  - Transmission Guideline
  - Technical Supplement for Landscape and Visual Impact Assessment
- **Solar Energy Guideline**
  - Solar Energy Decommissioning Calculator

- **Benefit Sharing Guideline**
  - Benefit Sharing Guideline
- **Private Agreement Guideline**
  - Private Agreement Guideline

A link to the full consultation package, including the series of “guidelines” and “calculators” is included below:

<https://www.planningportal.nsw.gov.au/draftplans/exhibition/draft-energy-policy-framework>

### **Mapping Discrepancy**

Soon after the release of the Draft Energy Policy Framework there was a media release from Adam Marshall MP’s office on 15 November, 2023. It was titled, “*draft wind guidelines rule out new projects in New England REZ - Government called on to ‘please explain’ contradiction*”. The media release was a result of the mapping contained within the Draft Wind Energy Guideline, which forms part of the Draft Energy Policy Framework suit of documents. The mapping indicated that the New England Renewable Energy Zone was “less suitable” for wind projects.

Mr Marshall highlighted the contradiction between the NSW Department of Planning’s mapping and the Government’s Energy Corporations intention to “*expend hundreds of millions of taxpayers’ dollars constructing new high voltage transmission lines across our region for new projects to connect to*”. A copy of the media release is contained in **Attachment 2**.

On Monday 20 November, 2023 there was a second media release from Adam Marshall MP’s office, titled “*Blunder sees sudden correction of draft wind energy guideline*”. The media release highlights the fact that the Draft Wind Energy Guideline now indicates that the New England Renewable Energy Zone is “suitable” for renewable wind projects. A copy of the media release is contained in **Attachment 3**.

In discussions with NSW Department of Planning, Council’s Manager Development Services has been advised that it was a mapping discrepancy. The discrepancy has now been rectified.

### **Draft Energy Policy Framework Briefing**

On 6 December, 2023 NSW Department of Planning and Environment held an on-line briefing session in regard to the Draft Energy Policy Framework. The briefing was presented by Matt Riley, Director Energy and Resources Policy.

Council’s Manager Development Services attended the on-line briefing. The briefing was a high-level summary of the exhibition material. The briefing did not provide any significant additional insights in regard to the Draft Energy Policy Framework.

The Mayor and General Manager were also provided with a similar briefing at the Coalition for Regional Energy Mayors meeting on 23 November, 2023.

### **Discussion**

Council staff have only had a short time to review and analyse the exhibition material. Based on this review and consideration of the potential implications of the Draft Energy Policy Framework, the following broad comments are as follows:

- **Draft Wind Energy Guideline** – The intention to provide clear and, where necessary, definitive guidance in regard to the development of wind energy developments is positive. This includes the development of technical guidance regarding landscape and visual impacts as well as noise impacts. The guideline and technical supplements should assist in providing clarity for developers, landowners, the community and consent authorities. In particular clarification around aviation safety and lighting is positive.
- **Transmission Guidelines** – At this point in time it is understood that there are no proposed transmission projects within the Inverell Shire. Notwithstanding this, the

development of clear guidelines and a technical supplement for landscape and visual assessment is supported.

- **Solar Energy Guideline** – In 2022 the NSW Department of Planning and Environment released the revised “Large-scale Solar Energy Guideline (Solar Energy Guideline). As part of this exhibition package a new “Solar Energy Decommissioning Calculator” has been developed. This will assist landowners and applicants in estimating the likely costs of decommissioning. Considering decommissioning impacts of large-scale solar developments is currently a topic of significant interest for many regional Councils. Developing a clear and transparent methodology for decommissioning of solar projects is supported.
- **Benefit Sharing Guideline** – Benefit sharing is currently a matter of significant interest for all Councils who are impacted by large scale renewable projects. The guideline acknowledges that while communities can benefit from employment and investment, they can also experience negative impacts and changes from the renewable energy transition. In time it is envisaged that Inverell Shire Council will develop a specific policy (based on the guideline) which will outline the mechanisms to establish “community benefit funds” via Voluntary Planning Agreements (VPAs) in addition to “community enhancement funds”. Section 4 of the guideline provides standard “benefit sharing rates”. Before determining a position on the standard rates, it is considered that further investigation and collaboration with other Councils in the region is required. It is understood, however, that the standard “benefit sharing rates” are generally consistent with Coalition for Regional Energy Mayors expectations.
- **Private Agreement Guideline** – it is understood that this guideline is targeted at private landowners either hosting a project or entering into an impact agreement with a renewable energy developer.

In regard to the above points, it should be noted that most large-scale renewable energy projects will be classed as “State Significant Development”. As such, local Councils will not be the consent authority. Therefore, the technical rules, requirements and standards (such as setbacks) will be assessed, managed and enforced by the NSW Department of Planning and Environment throughout the Development Assessment process. Councils, during the Development Assessment process, will have the ability to comment on a project’s compliance (or non-compliance) with the guidelines, however ultimately the final decisions will be at the discretion of the NSW Department of Planning and Environment, as the consent authority.

It is intended that Manager Development Services continue to monitor the public exhibition phase and stay informed of stakeholder, other Councils and industry feedback. Closer to the end of the exhibition (29 January 2024) it is intended to prepare an on-line submission, on behalf of Inverell Shire Council, to NSW Department of Planning and Environment consistent with the intent of the above discussion.

Any Councillors with specific issues or concerns are encouraged to liaise with the Manager Development Services to feed into the submission process. A Copy of the submission will be provided to the Councillors upon completion.

## Conclusion

The NSW Department of Planning and Environment are proposing to implement an Energy Policy Framework. The Draft Energy Policy Framework is currently on public exhibition until 29 January, 2024.

Council’s Manager Development Services will continue to monitor the public exhibition phase and stay informed of stakeholder, other Councils and industry feedback. It is recommended that

Council endorse the intent of a submission to NSW Department of Planning and Environment as outlined in the report.

Council's Manager Development Services is available should any Councillor wish to discuss the submission prior to 29 January, 2024.

**RISK ASSESSMENT:**

Nil.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil.

**LEGAL IMPLICATIONS:**

Nil.

**ATTACHMENTS:**

1. Draft Energy Policy Framework - NSW Department of Planning and Environment [↓](#)
2. Media Release - Draft Wind Guidelines Rule out New Projects in New England REZ - 15 November 2023 [↓](#)
3. Media Release - Blunder Sees Sudden Correction of Draft Wind Energy Guideline - 20 November 2023 [↓](#)

Department of Planning and Environment  
dpie.nsw.gov.au



# Draft Energy Policy Framework



An overview of the new policy framework  
for the assessment of energy development  
and infrastructure in NSW

November 2023





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## Acknowledgement of Country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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[dpie.nsw.gov.au](https://dpie.nsw.gov.au)

Draft Energy Policy Framework

Draft published: November 2023

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## Introduction

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We're implementing an Energy Policy Framework to help achieve the transition to renewable energy, reduce emissions and secure an affordable supply of electricity for the people of NSW.

We're doing this through a suite of planning policies and guidelines for wind, solar, and transmission infrastructure.

These will support faster and more consistent decisions, provide industry greater investment certainty, and give communities more transparency about how we will assess and manage impacts.

The framework will also ensure that communities benefit from renewable energy projects and is estimated to generate \$413 million in benefits for host communities over 25 years.

The Department of Planning and Environment's (the department) draft Energy Policy Framework aims to support the transition to renewable energy in NSW. It aims to do this quickly enough to futureproof a cheap and reliable supply of renewable energy for the people of NSW.

A significant amount of new transmission infrastructure, renewable energy generation and storage and firming infrastructure will be required over the coming decades to meet the NSW Government's net zero target. By 2035, 4 of the state's 5 coal-fired power stations

(which currently generate approximately 75% of NSW's annual electricity) will come to their scheduled end of life. Because of this, we will need to rapidly build a new renewable network. The NSW Government's [Electricity Infrastructure Roadmap](#) sets out a 20-year plan to deliver the necessary infrastructure.

It will be increasingly important for the NSW planning system to operate efficiently to ensure a fast and measured rollout of energy generation and transmission infrastructure while giving certainty to investors and the community. It must do this by providing clear guidance and robust planning policy.

With that said, renewable energy development is not without impacts, and it must enable infrastructure while also managing land use conflict, balancing environmental and social impacts, addressing community concerns and supporting robust and meaningful community engagement.

The NSW Government recently commissioned the [Electricity Supply and Reliability Check-Up](#) to review progress and policy settings of the NSW Electricity Infrastructure Roadmap. The Check-Up identified the need to enhance the planning system by standardising the assessment of key issues and providing clearer guidelines.

We have developed the Energy Policy Framework (the Framework) to address the recommendations of the Check-Up and emerging issues raised by communities and the industry.

## Policy Framework

The Energy Policy Framework comprises a series of guidelines for wind and solar energy generation and transmission infrastructure. These are summarised in Figure 1 and described in further detail throughout this document. The framework focuses on the development assessment process under the *Environmental Planning and Assessment Act 1979*. It provides guidance to help the industry, communities and consent authorities in identifying, assessing, avoiding, and mitigating impacts. The framework is designed to:

- provide clearer, more transparent assessment requirements and policy settings to ensure the level of assessment matches the level of risk and to help speed up the assessment process
- help the industry make informed investment decisions by providing more objective development standards
- allow communities to anticipate changes to their areas more readily by identifying the

most desirable locations for large-scale solar and wind energy development

- ensure that development is guided by meaningful consultation with affected communities
- introduce clear setbacks to avoid significant visual impacts from wind energy and transmission infrastructure and to set clear expectations for the industry and communities
- provide more transparency about the likely costs of decommissioning solar and wind energy development so the industry and landowners can make more informed investment decisions
- provide greater support to applicants and landowners entering into agreements to host infrastructure or manage the impacts of development
- ensure the benefits of energy development are directly realised by the localities and regions that host the infrastructure

Through these measures, we expect the framework to support the accelerated delivery of infrastructure and host communities.

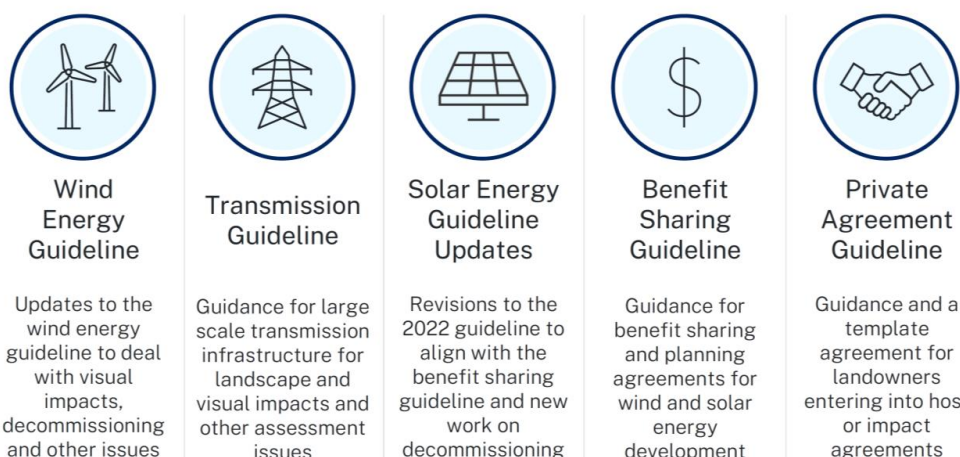


Figure 1. Key components of the framework

## Relationship between documents and tools

A range of documents, guidelines and tools fit together to form the framework. Their relationship to wind, solar and transmission infrastructure is shown in Figure 2 below.

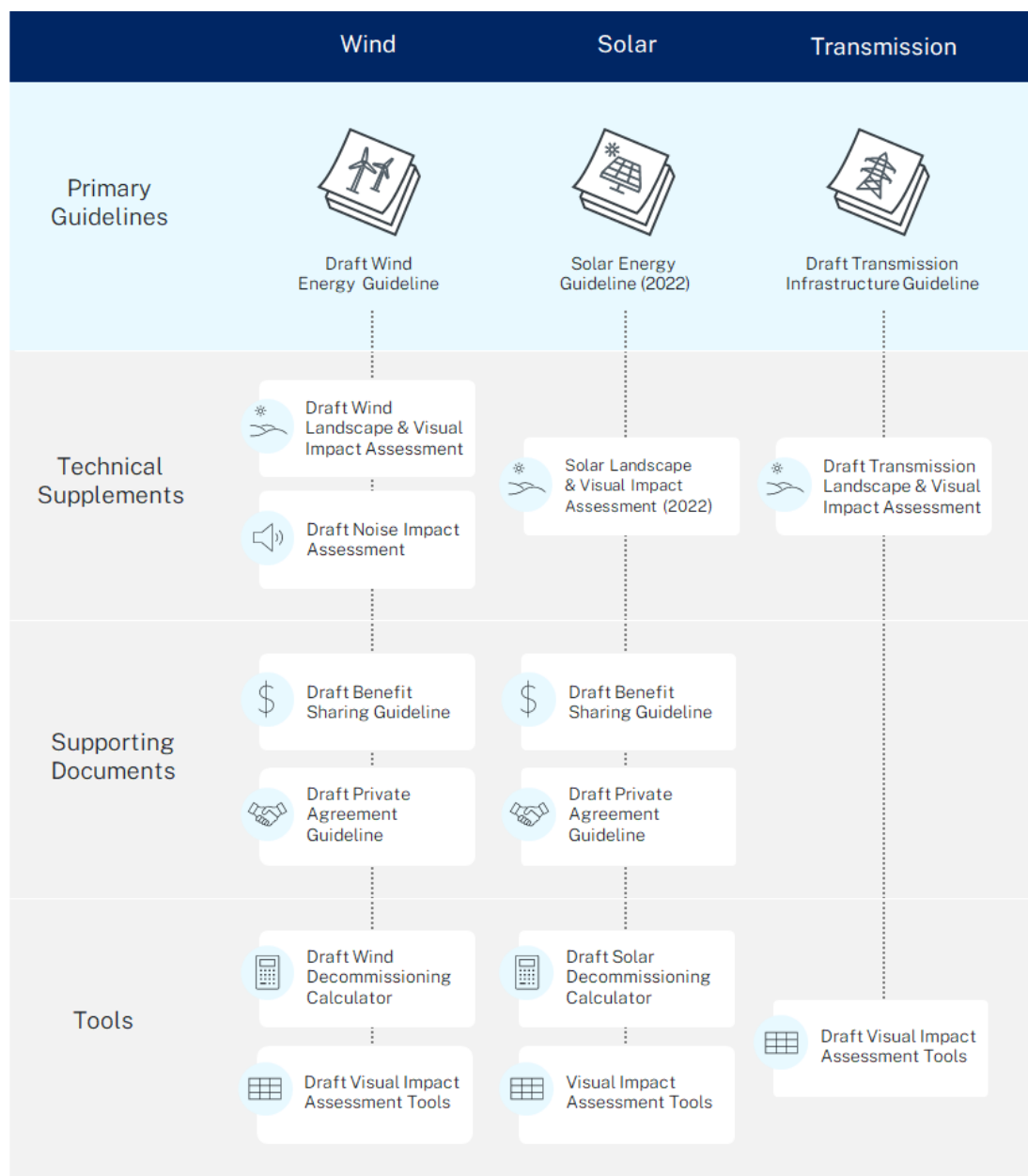


Figure 2. Relationship between elements of the Framework

## Wind Energy Guideline



In 2016, the department released the current Wind Energy Guideline (2016) and technical guidance for noise and visual impact assessment. Since then, the industry has developed rapidly, and the heights of turbines have increased considerably.

This necessitates a review and update of the guideline and provides an opportunity to address emerging issues and feedback from the industry and communities.

The new guideline builds on the policy directions and intent of the existing guideline and will improve the way in which the planning system can manage landscape and visual amenity impacts, decommissioning and a range of other issues.

The draft Wind Energy Guideline:

- identifies desirable areas for wind energy development based on a range of considerations including wind resource potential, proximity to transmission, and land use constraints.
- provides advice to assist the industry in selecting sites and designing projects
- includes new guidance on landscape and visual impact assessment in a technical supplement.

The new visual impact methodology builds on foundational principles from the existing guideline but provides a wholly revised approach to provide greater certainty and expedite decision-making. This includes a setback for wind turbines that are fully visible from people's homes (for example 2 km from a turbine 250 m tall).

- includes minor updates to align the noise impact assessment methodology with updates to the South Australian wind farm noise guidelines (2021) (these updates do not change the noise criteria and would not materially change modelling results)
- adopts a new noise criterion of 50dB(A) for passive recreation areas within National Parks to minimise land use conflicts
- includes a calculator for estimating the potential costs of decommissioning to ensure host landowners are well informed about the likely costs, and
- addresses commonly raised concerns including traffic and transport management, aviation risk and night-lighting.

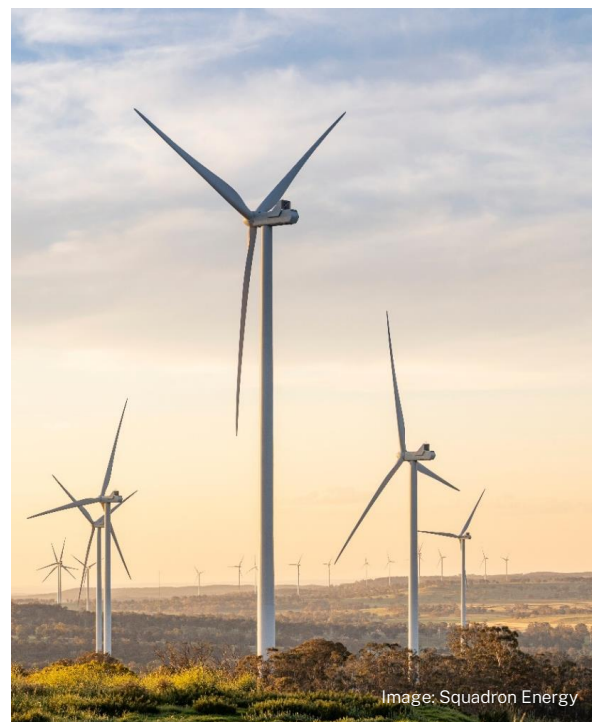


Image: Squadron Energy



## Transmission Guideline



A significant amount of transmission infrastructure is needed to connect renewable energy sources to the electricity grid and to ensure NSW has the cleanest and most affordable energy into the future.

The existing transmission network is estimated to have a connection capacity of 16 gigawatts in areas with favourable renewable energy resources. This is much less than the 125 gigawatts of new grid-scale renewable energy required by 2050.

Approximately 4,000km of new transmission infrastructure will need to be built over the next 2 decades to unlock the additional capacity required.



Without investment in new transmission infrastructure, the existing transmission network will reach capacity and new sources of energy generation will not be commercially viable. This will result in higher power prices and an uncertain and unreliable energy future for NSW electricity customers and communities.

We have prepared the draft Transmission Guideline to support major upgrades and expansions of the State's transmission network. It aims to provide communities, industry and regulators with clear and consistent information and guidance on the planning and development of this infrastructure.

The guideline is supported by a technical supplement for landscape and visual impact assessment. The supplement adopts a visual assessment methodology consistent with the revised Wind Energy Guideline to assess visual impacts more consistently and objectively.

The guideline clearly outlines when measures may be required to avoid or mitigate visual impacts on private landowners. It includes a setback for fully visible transmission towers (for example, 380 m from a tower 80 m tall).

The draft Transmission Guideline also includes advice on route selection, community engagement, biodiversity impacts, agricultural impacts, bushfire risk and other issues.

## Updates to the Solar Energy Guideline



In 2022, the department released the revised [Large-scale Solar Energy Guideline](#) (Solar Energy Guideline) and its supporting technical supplement for landscape and visual impacts.

The Solar Energy Guideline provides the community, industry and regulators with guidance on the assessment framework, site

selection process, landscape and visual impacts and agricultural land use conflicts.

We are proposing minor updates to the Solar Energy Guideline to reflect the key policy changes under the draft Energy Policy Framework. The key changes are described in Table 1.

Table 1. Changes to the Large-scale Solar Energy Guideline

Area of Change	Proposed Change
Planning framework	<ul style="list-style-type: none"> <li>Consistent with section 2.6 of the draft Wind Energy Guideline, identify that the Minister will consider requests to declare solar energy development as Critical State Significant Infrastructure if it includes a significant energy storage system (for example, a delivery capacity of 750 megawatts or more).</li> </ul>
Site selection	<ul style="list-style-type: none"> <li>Update section 4.2 of the existing Solar Energy Guideline to identify suitable locations for solar energy development (as shown in Figure 3) to help communities anticipate development and change.</li> </ul>
Decommissioning	<ul style="list-style-type: none"> <li>Provide a calculator for estimating decommissioning costs to ensure landholders are well informed about the likely costs.</li> </ul>
Benefit sharing	<ul style="list-style-type: none"> <li>Repeal existing guidance on benefit sharing in section 5.3.2 of the Solar Guideline and replace with a reference to the draft Benefit Sharing Guideline (2023). This encourages applicants to pay \$850 per megawatt per annum (in 2023 dollars) in benefit sharing.</li> </ul>
Private agreements	<ul style="list-style-type: none"> <li>Repeal existing guidance on private agreements in section 5.3.3 and Appendix B of the Solar Energy Guideline and replace it with a reference to the draft Private Agreement Guideline (2023).</li> </ul>
Landscape and visual impact assessment	<ul style="list-style-type: none"> <li>Define dwelling and clarify assessment requirements for dwelling entitlements, in accordance with the draft Wind Energy Guidelines (2023), where relevant.</li> <li>Update the assessment methodology in line with the proposed approach for wind and transmission to allow a more proportionate approach that does not rely exclusively on photomontages.</li> </ul>

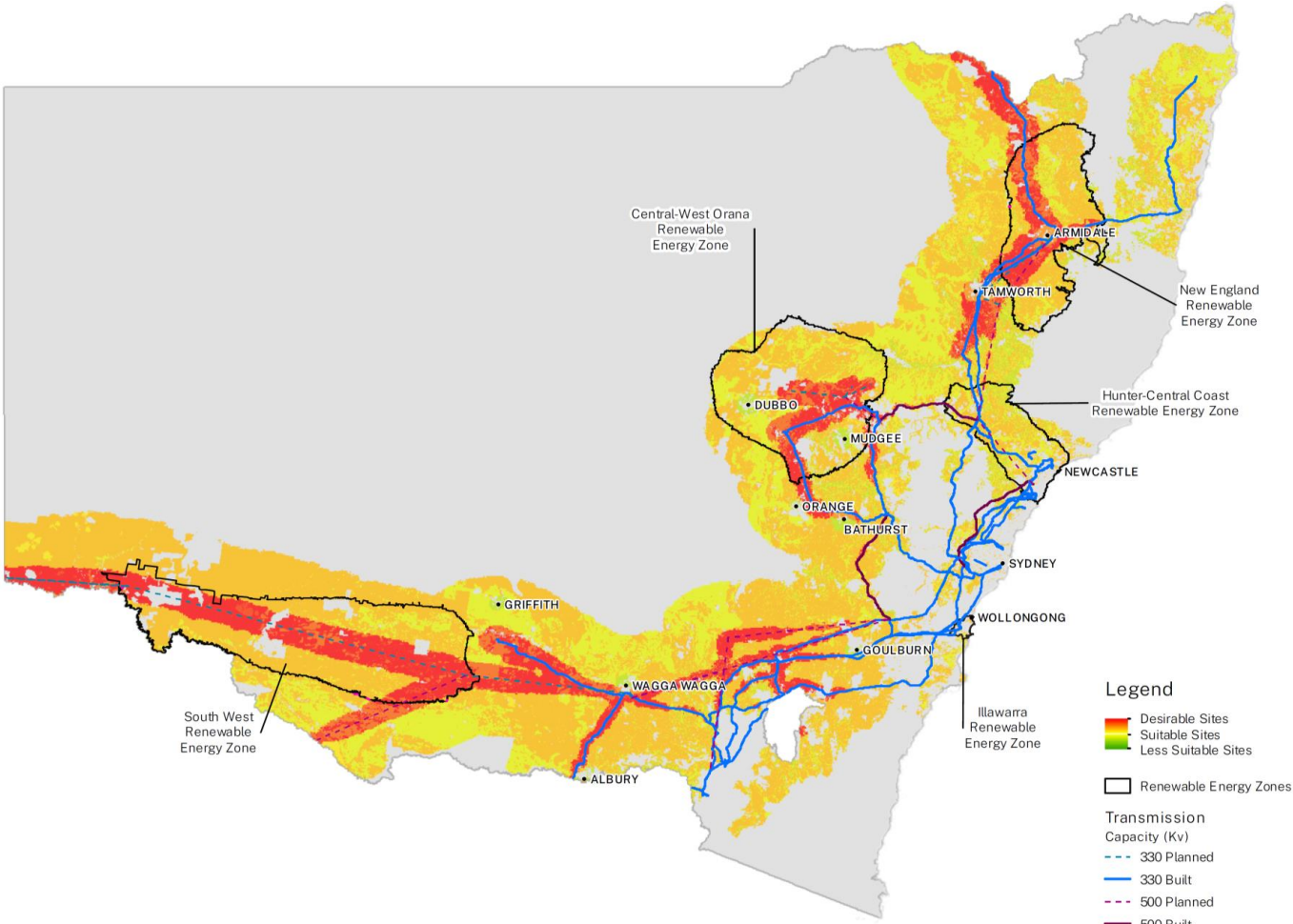


Figure 3. Desirable locations for solar development



## Benefit Sharing Guideline



The uptake of large-scale renewable energy development provides significant benefits for the state, including reduced reliance on fossil fuels, reduced emissions, and a secure and affordable power supply.

While it also has a range of direct and indirect benefits for host communities (including temporary construction jobs, ongoing operational jobs and lease payments to landholders and neighbours,) it is our regional communities that experience the most pressure and change from the renewable energy transition.

The Benefit Sharing Guideline provides advice on how the industry can share proceeds of solar and wind energy development (financial and other benefits) with host communities to ensure they benefit from the transition to renewable energy.

The guideline sets out a range of principles to ensure that benefit sharing is transparent, focussed on communities, and delivers positive, tangible and long term social and economic benefits.

There is a growing practice in Australia and internationally of developing community benefit sharing initiatives for renewable energy projects. These help foster greater local acceptance and support.

The draft Benefit Sharing Guidelines will help local communities be more resilient to change and will deliver estimated benefits of up to \$413 million over 25-years (in present value terms).

The guideline proposes a rate for benefit sharing of:

- \$850 per megawatt per annum for solar energy development, or
- \$1050 per megawatt per annum for wind energy development,

paid over the life of the development and indexed to the Consumer Price Index.



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## Private Agreement Guideline

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Renewable energy development is usually located or hosted on private land. This typically requires the applicant to enter into a private agreement with the host landowner to allow the project to go ahead.

Renewable energy projects can also impact land surrounding the project. Applicants can enter into agreements with neighbouring landowners when impacts from the project may affect their land or the amenity of their property and when these impacts cannot be managed or mitigated in other ways.

The draft Private Agreement Guideline contains advice on the role of these agreements for solar and wind energy development, including issues that should be considered.

The guideline aims to help the industry and landowners navigate the process in a fair and informed manner. It includes a template that can be used as the basis for any agreement.



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## Have your say

The Energy Policy Framework is on public exhibition until **18 December 2023**.

To view the contents of framework and provide feedback, please visit our webpage at [www.planning.nsw.gov.au/energy-policy-framework](http://www.planning.nsw.gov.au/energy-policy-framework).

Your feedback will help us refine the framework before we finalise it.

For more information contact us on [energy.resourcespolicy@dpie.nsw.gov.au](mailto:energy.resourcespolicy@dpie.nsw.gov.au)

## Hon. Adam Marshall MP

Member for Northern Tablelands

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### MEDIA RELEASE

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Wednesday, 15 November 2023

## DRAFT WIND GUIDELINES RULE OUT NEW PROJECTS IN NEW ENGLAND REZ

### *Government called on to 'please explain' contradiction*

NORTHERN Tablelands MP Adam Marshall has today called on the State Government to urgently explain and clarify why its new draft wind energy guideline effectively rule out any projects within the New England Renewable Energy Zone, despite hundreds of millions of dollars being set aside to construct new electricity transmission infrastructure.

"It's very clear the left hand of government does not know what the right hand is doing," Mr Marshall said.

"We now effectively have two government departments saying two completely contradictory things about the future of our region – it's not only embarrassingly amateurish, but also very concerning for our community."

Mr Marshall said the State Government's new draft wind energy guideline, released by the Planning Department yesterday, includes a map which declares almost the entirety of the New England REZ "less suitable" for wind projects.

"The Planning Department declares us 'less suitable' for wind projects while at the same time the government's Energy Corporation is working to expend hundreds of millions of taxpayers' dollars constructing new high voltage transmission lines across our region for new projects to connect to," he said.

"Who is correct; the planning department or Energy Co, because they cannot both be right. Will there be no new wind projects approved in our region, or has the planning department got it all wrong and doesn't have a clue what's going on in the government?"

"This massive contradiction leaves our communities even more confused about what the future looks like.

"I'm calling on the government to get its own house in order and urgently clarify who is right and who is wrong and what our region can expect now and in the future.

"Threading the needle to ensure a smooth energy transition, developing new renewables in harmony with our local communities, is difficult enough without this sort of carry on which shatters any confidence we had in the key government agencies.

"Either we have renewable energy zones where these projects are supposed to go or we have a planning system that is now attempting to rule them all out – we cannot have both and this government needs to work out what it's doing and fast.

"Our community is entitled to know the truth and have certainty so we can plan our destiny too."

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**MEDIA: Adam Marshall 0429 440 054**

## Hon. Adam Marshall MP

Member for Northern Tablelands

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### MEDIA RELEASE

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Monday, 20 November 2023

## BLUNDER SEES SUDDEN CORRECTION OF DRAFT WIND ENERGY GUIDELINE

MEMBER for Northern Tablelands Adam Marshall has put the wind up the State Government to urgently explain why its draft wind guideline has been suddenly and quietly changed 180 degrees today, now listing the New England as 'suitable' for renewable wind projects.

Mr Marshall said the correction came after he raised questions about it last week, with the guideline originally mapping the New England as 'less suitable' for wind projects.

"This is just plain confusing," Mr Marshall said.

"How can the New England Renewable Energy Zone go from 'less suitable' to 'suitable' for wind infrastructure within five days?

"I am not sure if someone in the Department of Planning and Infrastructure got the colour-coding wrong on the original map, but it does not provide much confidence.

"It further highlights the miscommunication and dysfunction of the Department and the State Government to manage and control renewable energy projects across our region."

The backflip came after Mr Marshall pressed the Government last week, asking why the New England was deemed unsuitable for wind projects.

"We have already invested hundreds of millions of dollars to construct new electricity transmission infrastructure," he said.

"It's very clear the left hand of Government does not know what the right hand is doing.

"The mixed messaging and the map further erode confidence of developers wanting to step into the industry as well as concerned community members.

"It is critical that we carefully plan a smooth energy transition, developing new renewables in harmony with our local communities.

"I am asking the State Government to 'please explain' this blunder."

**MEDIA: Adam Marshall 0429 440 054**

**10.9 NSW CROWN LAND MANAGEMENT EXCELLENCE AWARD - TINGHA RECREATION RESERVE****File Number:** S5.19.1 / 23/40797**Author:** Brett McInnes, General Manager**SUMMARY:**

The efforts of the Tingha Recreation Reserve Land Managers have been recognised at the NSW Government Crown Land Management Excellence Awards. Council is being asked to acknowledge the efforts of the Reserve Managers.

**RECOMMENDATION:**

*That a letter of congratulations be forwarded to the Tingha Recreation Reserve Land Managers acknowledging the Award.*

**COMMENTARY:**

The Tingha Recreation Reserve Land Managers are the winners of the NSW Government Crown Land Management Excellence Award 2023.

This prestigious award recognises a reserve manager organisation that is appointed to care, control and manage a NSW Crown reserve.

The citation for the award read:

*'Tingha Recreation Reserve Land Managers of Tingha is a passionate group of retirees who've breathed new life into Tingha Recreation Reserve. Through their dedication and resourcefulness, they've secured over \$200,000 in grants, resulting in vital improvements to the club's infrastructure. This includes a new floor, enhanced lighting, security cameras, and gates, effectively mitigating safety and security risks. Beyond these physical enhancements, they committed to community engagement by actively promoting the reserve through hosting various events and activities. From ANZAC Day commemorations to family fun days, their efforts have revitalised the reserve as well as fostered a strong sense of community spirit and pride in the charming town of Tingha'.*

Danny Coleman, Colleen Graham, Ivan Coleman and Terry Payne were present to accept the award at the Presentation Dinner held on 25 November 2023 at the Masonic Centre in Sydney.





Danny Coleman, Colleen Graham, Ivan Coleman (chairperson) and Terry Payne accepting the award

**RISK ASSESSMENT:**

Nil.

**POLICY IMPLICATIONS:**

Nil.

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil.

**LEGAL IMPLICATIONS:**

Nil.

**ATTACHMENTS:**

Nil



**10.10 NO SMOKING SIGNS - INVERELL CBD****File Number:** S24.12.5 / 23/40966**Author:** Justin Pay, Manager Civil Engineering**SUMMARY:**

At the pre-meeting briefing session for the November 2023 Council meeting, Cr Paul King raised a question without notice regarding the No Smoking signs in the Inverell CBD. This report is intended to update Council on the matter.

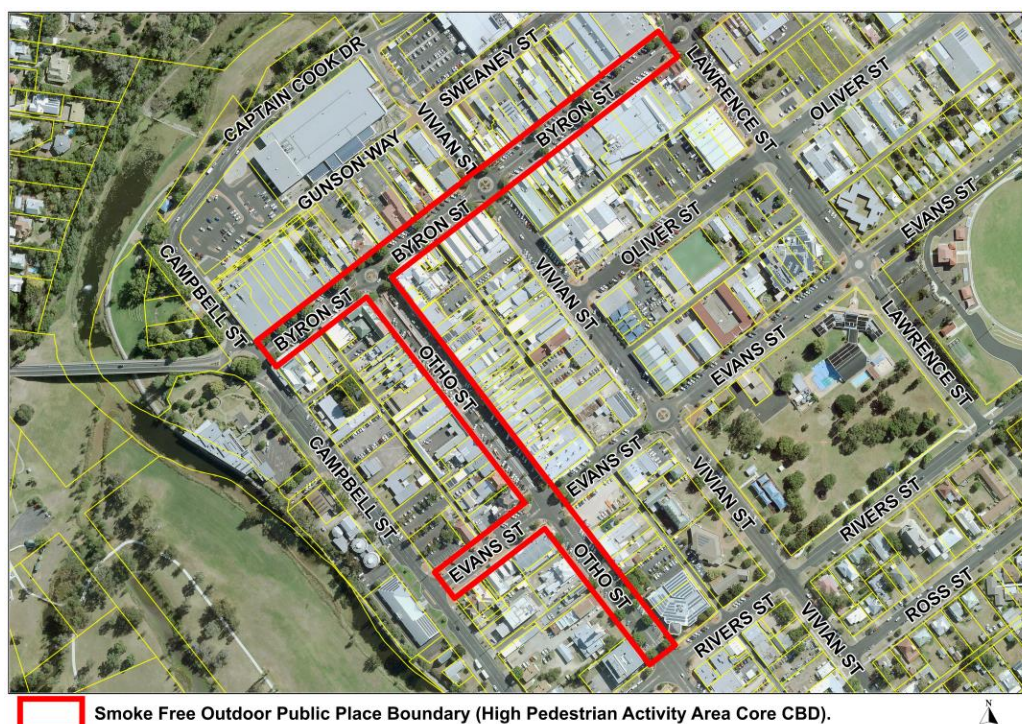
**RECOMMENDATION:**

*Council determine what action it wishes to take in regards to Smoke-Free Area signage.*

**COMMENTARY:**

At the pre-meeting briefing session for the November 2023 Council meeting Cr King raised a question without notice, questioning if the existing No Smoking signs in the Inverell CBD were adequate in size and number. There were some concerns the signs were not adequate to alert the community to the smoke-free zone. The signs have been in place since Councils implementation of the *Smoke-Free Outdoor Public Places Policy* in December 2023. It was agreed that staff provide Council with a costing to remove and replace the signage so that a more informed decision could be made on the matter.

There are currently 50 No Smoking signs in the Inverell CBD in Byron Street, Otho Street and the surrounds of the Town Hall. The plan in **Figure 1** identifies the Smoke-Free Area adopted by Council. The signs are the size of an A4 piece of paper, similar in size to the parking signs in the CBD, and are spaced at approximately 50m-100m apart. A photo of the existing signage is shown in **Figure 2** for the information of Council:



**Figure 1 – Current Smoke-Free Zone in Inverell CBD**



**Figure 2 – Current No Smoking Sign in CBD**

The above signage is also supplemented by a number of No Smoking signs installed on the exterior of Hotel premises in the area, which have been installed by the Hotel operators.

Council staff have investigated the cost to remove and replace the existing signage with larger signs, that are equivalent to an A3 piece of paper (twice as large as existing signage). The estimated cost is \$2,800.

Any additional signage would likely require the installation of additional sign posts and as such the estimated cost for any subsequent additional signage is \$225 per sign.

If Council determine that the size of the existing signage is inadequate and resolve to remove and replace them, the potential exists to relocate the smaller signs to other Council owned locations. Alternatively, the sign blades can be retained and re-purposed by Council's Urban Maintenance crew for other signage needs.

When implementing the smoke-free area Council made the conscious decision that it would be self-policed by the community. Council has no empirical evidence at this stage regarding the level of non-compliance and whether it is being driven by inadequate or lack of signage or other contributing factors. An important aspect to also consider when determining the size and location of signage is the visual amenity of the area.

#### **RISK ASSESSMENT:**

NIL

#### **POLICY IMPLICATIONS:**

Council adopted the *Smoke-Free Outdoor Public Places Policy* on the 27 July 2022, Resolution 2022/102, and was implemented on the 12 December 2022.

#### **CHIEF FINANCIAL OFFICERS COMMENT:**

Should Council wish to proceed with this project, funding is currently available in Council's CBD maintenance allocation. It should be noted that Council normally fully expends this budget allocation each year on regular maintenance activities.

#### **LEGAL IMPLICATIONS:**

NIL

Attachments:

**Nil**

**10.11 RATE PEG FOR 2024/2025****File Number:** S25.11.3 / 23/41043**Author:** Paul Pay, Director Corporate and Economic Services**SUMMARY:**

The Independent Pricing and Regulatory Tribunal (IPART) has set a rate peg for each council, ranging from 4.5% to 8.2% depending on the associated population factor. Inverell Shire Council 2024/2025 rate peg has been set at 4.5%.

**RECOMMENDATION:**

*That Council note the IPART determined rate peg of 4.5% for Inverell Shire Council for 2024/25.*

**COMMENTARY:**

The rate peg represents the maximum percentage amount by which a Council may increase its general income. For almost all Councils, general income consists entirely of revenue from rates.

The rate peg applies to each Council's general income in total, not to individual ratepayers' rates. Councils may increase categories of rates by more than, or less than the rate peg, as long as the total increase in general income remains within the rate peg.

For the first time, the 2024/2025 rate peg is calculated using the new rate peg methodology. The rate peg for the 2024/2025 financial year for each Council, before the population factors and other adjustments ranges from 4.5% to 5.5%. The rate peg before the population factor (the core rate peg) for each council is based on:

- The Base Cost Change (BCC) for its council group;
- A catch-up adjustment for past changes in the superannuation guarantee rate;
- Productivity factor;
- A separate Emergency Services Levy (ESL) factor to reflect annual changes in council ESL contributions that differ from the changes to the council's BCC. Council ESL contributions support the work of emergency services in NSW;
- Additionally, some councils will receive a council-specific adjustment in their rate peg for the 2024-25 financial year to reflect the increase in the ESL in the years when increases were not captured by the rate peg because they were subsidised by the NSW Government. IPART intend to phase in the subsidised increases that were previously excluded over several years, and at different rates for different councils, to manage affordability for ratepayers. IPART plan to consult on how best to phase in these increases.

The population factor varies for each Council in NSW depending on how fast its population is growing. The population factor ranges between 0% to 2.7% depending on the Council. Inverell's population factors is 0.0%. The population factor each Council is based on:

- An annual population factor to adjust for the change in the residential population of a council area (excluding the prison population) from 2020-21 to 2021-22; and



- A population true-up based on 2021 Census data.

Historically the Local Government Cost Index measures price changes over the past year for goods, materials and labour used by an average Council. It was similar in principle to the Consumer Price Index (CPI), which is used to measure changes in prices for a typical household.

The new methodology uses the new Base Cost Change (BCC) model to measure the percentage change in a basket of 3 cost components that reflect the key costs councils incur in providing services to their communities.

The 3 cost components are:

- Employee costs, which is measured by changes in the Local Government State (NSW) Award (when available) adjusted for changes in the superannuation guarantee.
- Asset costs, which IPART consider are best measured by the change in the Producer Price Index (PPI) for Road and bridge construction. In the absence of a publicly available forecast for the PPI, IPART applied an adjustment to the Reserve Bank of Australia's (RBA) forecast change in the Consumer Price Index (CPI) to derive a forecast change in the PPI.
- Other operating costs, which is measured by the RBA's forecast change in the CPI.

The change in the BCC model for each of the 3 council groups (metropolitan, regional and rural) from 2023-24 to 2024-25 was 3.9% (after rounding). Inverell Shire Council is classified as rural for this purpose.

Table 1 shows the change in each of the 3 cost components measured by the BCC model, and the weightings of these components for each of the council groups.

**Table 1 BCC components and council group weightings**

	Employee costs	Asset costs	Other operating costs
Change in cost component	4.5%	4.0%	3.2%
<b>Weightings by council group</b>			
Metropolitan	41%	18%	41%
Regional	37%	23%	40%
Rural	36%	26%	38%

The new rate peg includes a separate provision for the Emergency Services Levy (ESL) factor. The ESL helps fund emergency services across NSW. Councils contribute to the funding of the State Emergency Services, Fire and Rescue NSW and the Rural Fire Services. The new methodology accounts for annual changes in the ESL through a separate factor for each council.

Previously IPART calculated an average change in ESL contributions and provided each council with the same amount. The introduction of a council-specific ESL factor does not increase the rate peg for ratepayers on average, but it may lead to some councils having a higher rate peg and others having a lower rate peg than under our previous (averaging) methodology. Differences in the rate peg between councils will now reflect the actual costs of changes in the ESL for individual councils.

IPART have also included an adjustment of 0.4% for all councils to account for increases in the superannuation guarantee rate between 2021-22 and 2023-24. This adjustment accounts for a 1% shortfall in superannuation guarantee resulting from the two year lag used in the previous methodology.

IPART have included a specific ESL adjustment in the rate peg for some councils to account for a portion of the increase in the ESL contributions in the years when increases were not captured by the rate peg because they were subsidised by the NSW Government. The new (separate) ESL factor only captures the annual change in the councils' ESL contributions. Without specific

adjustments, councils would not receive increases for the changes in ESL contributions that were not captured in the rate peg while the subsidy was in place.

Inverell's 2024/2025 rate peg is calculated as follows:

1. BCC component	= 3.9%
2. Population Factor	= 0.0%
3. Emergency Services Levy factor	= 0.1%
4. Superannuation guarantee adjustment	= 0.4%
5. Specific ESL adjustment	= 0.1%
6. Productivity Adjustment	= 0.0%
TOTAL	= 4.5%

Further information on IPART rate peg methodology can be found at:  
[https://www.ipart.nsw.gov.au/sites/default/files/cm9\\_documents/Information-Paper-Rate-peg-for-NSW-councils-for-2024-25-21-November-2023.PDF](https://www.ipart.nsw.gov.au/sites/default/files/cm9_documents/Information-Paper-Rate-peg-for-NSW-councils-for-2024-25-21-November-2023.PDF)

**CHIEF FINANCIAL OFFICERS COMMENT:**

The 2024/2025 rate peg will be considered as part of next year's budget process.

**LEGAL IMPLICATIONS:**

The rate peg represents the maximum percentage amount by which a Council may increase its general income.

**ATTACHMENTS:**

Nil

**10.12 REFERRAL OF CONFIDENTIAL MATTERS****File Number:** S13.5.2/16 / 23/41044**Author:** Kristy Paton, Corporate Support Officer - Publishing**SUMMARY:**

Referral of Confidential Report.

**RECOMMENDATION:**

*That Council refer the items to Closed (Public excluded) meeting of the Council and that the press and members of the public be asked to leave the chambers whilst Council considers the following items:*

**Item:** 13.1 2023 Rale Rasic Joeys Mini World Cup - Post Event Report

**Authority:** Section 10A (2) (d(iii)) information that would, if disclosed, reveal a trade secret.

**COMMENTARY:**

In accordance with the provisions of Section 9 (2A) *Local Government Act 1993*, the General Manager is of the opinion that consideration of the following item(s) is likely to take place when the meeting is closed to the public.

**Item:** 2023 Rale Rasic Joeys Mini World Cup - Post Event Report

**Description:** The 2023 Rale Rasic Joeys Mini World Cup (RRJMWC) was conducted at the Inverell Sporting Complex in September 2023. Council is requested to receive this report and approve the recommendations.

**Reason:** Information that would, if disclosed, reveal a trade secret (s. 10A (2) (d(iii)) *Local Government Act 1993*).

**11 INFORMATION REPORTS****11.1 STRATEGIC TASKS - 'SIGN OFF' - NOVEMBER 2023****File Number:** S4.13.2 / 23/39193**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 November 2023 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
30 November 2023	Second quarter rates instalment due [LGA s562(3)(b)]	Achieved	Lodged 16/10/23 Due for payment 30/11/23
30 November 2023	Last day for RAO to submit quarterly budget review statement to council [LG Reg cl 203(1)]. Councils are requested to send a copy of the QBRs to finance@olg.nsw.gov.au	Achieved	
30 November 2023	Annual report is to be placed on council's website and notify the Minister (electronically to OLG with web link) [LGA s428] [Annual Report Checklist is available on the OLG website]	Achieved	

I confirm that the performance criteria as set out in the criteria for scheduled tasks have been met for the month of November, 2023. 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.

**B MCINNES****GENERAL MANAGER****ATTACHMENTS:****Nil**

**11.2 NEW SOUTH WALES PUBLIC LIBRARY ASSOCIATION ANNUAL CONFERENCE AND ANNUAL GENERAL MEETING****File Number:** S3.6.17/05 / 23/39570**Author:** Sonya Lange, Manager Library Services**SUMMARY:**

Cr Kate Dight and Manager Library Services Sonya Lange attended the Conference and Annual General Meeting of the NSW Public Libraries Association in November 2023.

**COMMENTARY:**

The theme of the 2023 Switch Conference was Equality, Inclusion and Diversity, with a variety of Australian presenters from the library, information and arts fields. Key takeaways from the conference were:

- The important role of libraries in reducing inequity by supporting early childhood and adult literacy development through programs and resources.
- Ensuring libraries provide accessible and equitable services to people in the community with differing abilities and needs.
- Providing representation of marginalised voices within collections and programs, and safe spaces for all members of the community.
- The ability of libraries to support a range of United Nations Sustainable Development Goals and the principle of freedom of access to information and freedom of expression embodied in Article 19 of the Universal Declaration of Human Rights.

The Annual General Meeting of the Association was held on 17 November 2023. The Association reported on ongoing advocacy work including:

- “Birth to Five: Read and Thrive”, a campaign to encourage the State Government to develop a state-wide early literacy framework.
- “Trove” funding, aiming to address the unsustainable fees being charged to public libraries to contribute to and utilise the Trove national database.
- Support and resource development for libraries facing challenges to inclusive collections, programs and spaces.

Motions adopted by the Association included a number related to the advocacy work detailed above, a motion calling for the Association to provide leadership and support for libraries around the impact of AI on the industry, and a motion to request the NSWLGA include the promotion of Library careers in any relevant career campaigns.

**ATTACHMENTS:****Nil**



**11.3 RELOCATION OF CBD EMERGENCY BROADCAST SYSTEM****File Number:** S30.17.7 / 23/39756**Author:** Peter Caddey, Manager Administrative and Marketing Services**SUMMARY:**

The CBD Emergency Broadcast System has been relocated. Council is requested to receive this report for information.

**COMMENTARY:**

Since 1997, the Inverell Shire Emergency Broadcast System (EBS) has been housed at the studios of Radio 2NZ at 167 Byron St Inverell.

2NZ was nominated as the Shire's emergency broadcaster due to the reach of the AM signal and the availability of management and staff to attend and broadcast 24 hours per day in the event of an emergency situation or incident. This would include when instructed, broadcasting the radio through the EBS into the CBD for the benefit and safety of business houses and also residents who lived in the vicinity.

The system has also been utilised to add to the festive spirit, broadcasting Christmas Carols throughout the CBD in the lead up to Christmas and live broadcast of the Sapphire City Festival Parade.

The large reduction of staff at 2NZ over recent years has made it impossible for the EBS to be utilised, or accessed if required, especially after hours.

Council began investigating the relocation of the EBS to a more suitable venue, whereby access would be available to Council staff without impediment should the need arise for the system to be activated in an emergency situation. It was determined that the Inverell Shire Administration Building was the most suitable location, given flood waters did not enter the building in the 1991 flood event. It was also determined that Council has appropriate staff to operate and maintain the system, to ensure peak performance should there be a need for the operation of the EBS in delivering important information/alerts and assist in evacuation procedures in a flood emergency.

The new system is capable of delivering messaging through a variety of devices. The unit has a microphone attached for live messaging and the ability for pre-recorded messaging to be broadcast via USB, Laptop, or other smart devices including phones and tablets. The unit has the capacity for radio transmission to be utilised where necessary. The Standard Emergency Warning Signal (SEWS) may be used with authorisation from NSWRFSS in an emergency. The signal can be heard via the following link.

[https://www.rfs.nsw.gov.au/\\_data/assets/mp3\\_file/0005/8672/Standard-Emergency-Warning-Signal.mp3](https://www.rfs.nsw.gov.au/_data/assets/mp3_file/0005/8672/Standard-Emergency-Warning-Signal.mp3)

The new EBS is installed and is fully operational. Regular testing will take place to ensure optimal performance should an emergency necessitate the activation of the EBS. The unit housed at 2NZ has been decommissioned.

**ATTACHMENTS:**

Nil

**11.4 NEW ENGLAND EAT DRINK LIVE 2023****File Number:** S6.8.9 / 23/39762**Author:** Brett McInnes, General Manager**SUMMARY:**

Eat Drink Live New England was held in Inverell on the weekend of 11-12 November 2023. Council is in receipt of correspondence from the Event Coordinator, Sean Taylor which is detailed below for the information of Council.

**COMMENTARY:**

Correspondence has been received from Sean Taylor, Event Coordinator for the Eat Drink Live New England thanking Council for its assistance with this year's event. The correspondence reads:

*Thank you so much for Inverell Shire Council's continued support of our event. Our event is in its 7th year and was by far the biggest so far. We had a record 70 market sites and a record 4000 people visit across the day, including a large number of visitors to town. Our Gin Tasting & Canapes evening at the Inverell Art Gallery and Long Lunch at The Welders Dog were both well attended. The Butcher Girl, Alison Meagher was a huge success with the cooking demonstration being the best attended to date. The Literary Dinner was unable to go ahead due to Peter Watt's wife being admitted to hospital.*

*A particular thank you for the last-minute help rendered by your outdoor staff, it was really appreciated.*

*Please also pass our thanks onto Peter Caddey and Kristy Paton for their assistance*

*I wish you all a very merry and wet Christmas.*

*Kind regards*

*Sean Taylor*

*Event Coordinator*

*Eat Drink Live New England*

*The Inverell Club Ltd*

*1-2 Evans Street, Inverell NSW 2360*

**ATTACHMENTS:**

**Nil**

**11.5 WORKS UPDATE****File Number:** S28.21.1/16 / 23/39873**Author:** Justin Pay, Manager Civil Engineering**SUMMARY:**

This report is intended to keep Council updated on the capital works and maintenance programs.

**COMMENTARY:****Fixing Country Bridges Funding Grant**

Council has been successful in obtaining \$4.109M from the Fixing Country Bridges Funding Grant to replace Mathers Bridge on Nullamanna Road. Council has committed to a co-contribution of \$250K to bring the total funding to \$4.359M for the project. This funding is required to be expended by April 2024 as per the funding requirements.

Mathers Bridge is located along Nullamanna Road and crosses Frazers Creek just north of the Nullamanna village. The existing bridge consisting of a timber superstructure and concrete deck was constructed in the late 1950s and is now nearing the end of its useful life. A structural report completed on the bridge in 2019 found the bridge to be in very poor condition. A recommendation to reduce the bridge to single lane use was put forward in the report to allow continued heavy vehicle use until the bridge is replaced. This is an imposition on the efficient movement of freight along this road, hence the need to replace the bridge at the earliest possible time.

The contract for the bridge replacement project has recently been awarded to DavBridge Constructions.

Works that have been completed to date include:

- Bridge Options Report
- Bridge Design Plans
- Geotechnical Investigation
- Environmental Report
- Aboriginal Heritage Report
- Construction of the side track including the installation of a temporary bridge
- Demolition of the existing timber bridge
- Environmental protection works
- Piling works

The geology at the location of the piles was different than what was indicated on the pre-construction geotechnical investigation. This has meant the piles are deeper than previously anticipated. This will impact the budget for the project, further details will be provided once the full impact is known.

Some of the bridge deck planks have been delivered to site and the contractors are currently working on construction of the abutments.

The schedule for the project has not been impacted and the anticipated completion remains prior to April 2024.

**Bundarra Road Pavement Rehabilitation and Overlay Racecourse**

Council had allocated \$1.090M in funding under the 2023/2024 Repair Program and \$696K from the 2023-2024 Fit for Future Program to undertake this project on the Bundarra Road, adjacent to the Racecourse, a total length of 1.17km, from the Pioneer Village to Cunningham's Hill.

Works are now complete for this project. A primer seal was placed on the remaining section from the Pioneer Village to Rifle Range Road on Wednesday, 1 November 2023. Asphalt at the intersection of Rifle Range Road and Bundarra Road was laid on Tuesday, 5 December 2023.

The Cimmarron Ash and Crepe Myrtle trees have been planted for the entire length of the project site. A total of 100 trees, 50 of each species, has been planted at 20 metre intervals along each side of Bundarra Road. Cimmarron Ash are planted on the western side (racecourse side) and Crepe Myrtle are planted on the eastern side (Pioneer Village side). The tree planting program was completed on Friday, 17 November 2023.

There has been some public comment regarding the tree plantings at the site and the potential conflict with overhead power lines. Council engaged the services of several qualified arborists in order to select an appropriate species for the location. The site has many constraints, including:

- Underground services – water and telecommunications
- Overhead power lines on the eastern side
- Site distance at Rifle Range Road Intersection
- Widened shoulder at completion of pavement rehabilitation works
- Drainage at the location providing many challenges for tree growth

Of particular concern was the proximity of the overhead powerlines and the species selected *Lagerstroemia indica x fauriei* 'Natchez' was determined by the arborist as being suitable.

Council will undertake formative pruning during the early stages of the trees growth in order to ensure the trees do not impact the overhead power lines.



Primer seal and line marking Pioneer Village end





Primer Seal and line marking Cunningham's Hill end  
Cimmaron Ash on the left side (racecourse side) Crepe Myrtle on the right side





Crepe Myrtle at 20 metre spacings adjacent the Pioneer Village



**Moore Street Upgrade – Hospital Entrance**

Council has secured funding to complete upgrade works on Moore Street at the Inverell Hospital entrance. The project cost is \$1.349M funded by the State Government's Fixing Local Roads Program (\$911,654), contribution from NSW Health Infrastructure (\$337,250) and Council contribution (\$100,096).

The recent redevelopment of the Inverell Hospital resulted in the 'main entrance' for this facility being moved to Moore Street. Council has received grant funding from the State Government to undertake upgrade works to Moore Street to meet subsequent demand.

The project includes works along a 1000 metre section of Moore Street and includes pavement rehabilitation, widening, a turning lane into the hospital and drainage upgrades including construction of kerb and gutter. The key aim of the project is to improve sight distance impacting safe access to the new hospital.

The northbound lane remains closed to local traffic only during working hours, with manual traffic control being used at Swanbrook Road while the construction crew is on the road. Emergency vehicles continue to have complete access to the Hospital at all times. Each afternoon the road is made safe and opened to both lanes of traffic.

The construction crew have completed kerb and gutter works on the Northern side of the hospital entrance. The roadworks in this section have commenced, with the road base hauled and stabilised. Roadworks have begun on the Swanbrook Road to transition the new construction project into the existing pavement. It is expected these sections will be bitumen sealed prior to the Christmas break. The project is on schedule to be finalised prior to the completion milestone date as required by the project funding agreement.

The Hospital, Ambulance Service and Bus Services have been continually updated on the projects progress regularly to ensure there is an open line of communication throughout.





Moore St – Hospital Hill Upgrade – Pavement works completed on Northern Side of Hospital Entrance





Moore St – Hospital Hill Upgrade – Works continuing on Intersection of Moore Street and Swanbrook Road





Moore St – Hospital Hill Upgrade – Works on Swanbrook Road to tie in with the intersection of Moore Street

**Playground and Amenities Upgrades and Repairs – Inverell and Delungra**

Council has been successful in receiving \$300K under the Local Roads and Community Infrastructure Program Phase 3 to complete upgrade and repair works to Victoria Park, Lions Park, Campbell Park and Lake Inverell Reserve. Council was also successful in receiving \$50K under the 2021/2022 Black Summer Bushfire Grants Program for the replacement of playground equipment at Delungra Park.

The following works are included as part of the grant funding:

**Victoria Park**

- Drainage works inside the playground
- Repair soft floor
- New ropes on climbing web and cradle swing

**Lions Park**

- Replace netting inside playground

**Campbell Park**

- Remove existing climbing frame playground at the end of the amphitheatre
- Install new larger climbing frame with attached covered slide at a new site north of the existing children's fenced playground
- Install new soft fall and fencing
- Install additional play equipment if funds allow

**Lake Inverell Reserve**

- Install blocks around playground to prevent the soft fall bark chips washing out
- Levelling of the playground area

**Delungra Park**

- Remove old playground equipment
- Install new playground equipment including dual swing, slide including landing, fire engine rocker and Geo-climber
- Replace soft fall bark chips

Additional funding was also received under the 2021/2022 Black Summer Bushfire Grants Program for works around Ashford including the below playground upgrade.

**Walter McRae Park - Ashford**

- Remove old playground equipment
- Install new playground equipment and fencing
- Install open air exercise equipment
- New soft fall floor, for both areas
- Two new solar lights to illuminate black spots behind new playground

Unfortunately, the foundation that the soft fall was laid on at Walter McRae park has failed, after the rain event during November where a number of storms impacted the site with heavy rainfall. Council staff are currently discussing the issue to determine the extent of required rectification works and negotiating with the Contractor to have the rectification works completed.





Completed works at Walter McRae Park Ashford



Completed works at Walter McRae Park Ashford

Works have been completed at Victoria Park, Delungra Park and Lions Park. Campbell Park equipment is still being made by the manufacturer. A recent update from the manufacturer indicated that the equipment will be delivered in December 2023 as some of the parts are sourced from overseas.

**Road Maintenance****Maintenance Grading**

The following maintenance grading works were undertaken during November 2023.

<b>Road Number</b>	<b>Road Name</b>	<b>Length Graded (km)</b>
SR 28	Goat Rock Road	15.01km
SR 58	Rocky Creek Road	25.5km
SR 417	Long Gully Road	2.1km
SR 418	Grove Road	10.14km
SR 419	Bassendean Road	7.53km
SR 420	Weidermans Road	2.37km
	<b>TOTAL</b>	<b>62.65 km</b>

**Reactive Spot Grading**

The following reactive spot grading works were undertaken during November 2023.

<b>Road Number</b>	<b>Road Name</b>	<b>Length Graded (km)</b>
SR 56	Glenrock Road	3.0km
SR 58	Rocky Creek Road	3.5km
SR 60	Nullamanna Road	9.33km
SR 246	Elsmore Road	15.86km
	<b>TOTAL</b>	<b>31.69km</b>

**Gravel Patching**

No gravel patching works were undertaken during November 2023.

**Gravel Re-sheeting**

The following gravel re-sheeting works were completed in November 2023.

<b>Road Number</b>	<b>Road Name</b>	<b>Area Re-sheeted (m2)</b>
SR 58	Rocky Creek Road	11,346
SR 59	Graman Road	31,068
	<b>TOTAL</b>	<b>42,414m2</b>

**Heavy Patching**

The following heavy patching works undertaken during November 2023.

<b>Road Number</b>	<b>Road Name</b>	<b>Area Patched (m2)</b>
SR 263	Rifle Range Road	13,000
HW12	Gwydir Highway	5,814
	<b>TOTAL</b>	<b>18,814m2</b>

**Other Maintenance Activities**

Council's State, Regional and Local Roads, Urban and Village Street maintenance activities, such as bitumen patching, drainage and shoulder repairs as well as vegetation control, are continuing as required. Town maintenance will continue as programmed.

**ATTACHMENTS:**

**Nil**



**11.6 COMPANION ANIMAL IMPOUNDING FACILITY UPDATE****File Number: S5.9.33 / 23/40121****Author: Greg Doman, Manager Environmental Health****SUMMARY:**

The purpose of this report is to provide Council with an update on the progress of the Inverell Shire Companion Animal Impounding Facility.

**COMMENTARY:**

Council was successful in obtaining \$1.1M in grant funding to construct a new Companion Animal Impounding Facility at 55 Burtenshaw Road. The project's funding has been provided by the Federal Government under the Local Roads and Community Infrastructure Program Phase 3. In addition to this funding, Council also budgeted \$400K to assist with the project.

Build Me Construction Group commenced construction works in April 2023.

Since the Council update on 13 September 2023 the following works have been completed:

- Installation of internal wall linings;
- Installation of joinery work;
- Installation of floor coverings and finishes throughout the facility;
- Completion of internal and external painting;
- Partial completion of security fencing (waiting on completion of carpark and footpaths);
- Installation of solar photovoltaic system;
- Completion of internal plumbing infrastructure; and
- Practical completion of turfing of external grassed areas.

The following photographs show the progress to-date.



**Photo 1- Construction of carparking area.**



**Photo 2: Exercise area completed.**



**Photo 3- Completed waiting room.**

The completion of building construction projects is often challenging given the number of trades, suppliers and materials required within a short-specified period. Council and Build Me Construction Group have worked closely to minimise these delays however; the practical completion date of 30 November 2023 has not been achieved.

It is anticipated that the building will be completed in late December 2023. Once completed Council staff will transition from the current companion animal impounding facility to the new building in anticipation for an official opening.

An official opening date has not yet been scheduled, it is anticipated that this will occur in February 2024. Further details will be provided to Councillors regarding the official opening of Inverell Shire Council Companion Animal Impounding Facility once works have been completed.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

A variation to phase 1, 2 and 3 of Local Road and Community Infrastructure (LRIC) Program was announced earlier this year with construction time periods being extended until 30 June 2024. The Grant Agreement period was also extended until 31 December 2024 to allow for the completion of reporting. The one (1) month delay in completing construction of the Inverell Shire Council Companion Animal Impounding Facility will not impact Council's ability to comply with the terms of the Local Road and Community Infrastructure (LRIC) Program for this project.



**11.7 INVERELL LIBRARY DIGITAL COLLECTIONS****File Number:** S3.6.1 / 23/40197**Author:** Sonya Lange, Manager Library Services**SUMMARY:**

The Inverell Library has reviewed and expanded its range of digital collection services, to meet patron demand, and in response to a changing digital product landscape.

**COMMENTARY:**

The range of digital products available in the library marketplace continues to change, with new products and access models replacing some early offerings. The Inverell Library has undertaken a process of review of its digital collections, considering usage patterns, patron feedback, and product availability and pricing. As a result, several new products have been introduced, and others discontinued. A number of the digital products offered are supplied via consortia arrangements with neighbouring libraries, to defray costs and increase collection size. Access models vary, with some being subscription based, others pay-per-use, and some direct purchase of content for use through a particular platform.

A new service was launched on 1 December 2023 in response to patron demand. Kanopy is an on-demand video streaming service, which provides library patrons with free access to a catalogue of over 24,000 titles. Contemporary and classic film, world cinema, documentaries and episodic television programs are included, along with a dedicated children's channel, Kanopy Kids. Content may be viewed via an app or website, on mobile devices, tablets, smart TVs and computers. Each patron is granted 20 tickets per month, to redeem for content, which costs 1-5 tickets, depending on the viewing time. A good selection of titles is 'ticket free', including all Kanopy Kids content, so may be viewed at any time. Kanopy may be accessed at <https://inverell.kanopy.com> or via the Kanopy app.

Other digital services freely available to all library patrons include:

- BorrowBox – (consortia) an eAudio and eBook service, with over 3500 eAudio books and 7000 eBooks
- uLibrary – (consortia) a new eAudio book service with exclusive content from top tier publishers
- Cloudlibrary NewsStand – (consortia) Digital magazines, with 1000s of popular titles
- NewsBank – digital newspapers, with over 700 Australian news sources
- Haynes car manuals – a large range of makes and models for cars and motorcycles
- Comics Plus – over 25,000 comics and graphic novels
- Indyreads – State Library of NSW service with eBooks and EAudio in a variety of languages.

Provision of these digital services provides patrons with a wide range of choice around titles, and the way they can access them, allowing patrons to decide how and when they read, watch or listen to leisure and educational materials. This ensures that we are providing our patrons equitable access to materials, and keeping pace with changing needs.

**ATTACHMENTS:****Nil**

**11.8 YOUTH ADVISORY COUNCIL END OF YEAR REPORT**

**File Number:** S3.16.13 / 23/40447

**Author:** Kate Dight, Councillor

**SUMMARY:**

The Inverell Shire Youth Advisory Council (YAC) has ended their first term with a number of successful achievements. Council is asked to receive this report for information.

**COMMENTARY:**

The Inverell Youth Advisory Council has been meeting monthly this year and it has been a very active group of 15 students from Inverell High School, Macintyre High School and Holy Trinity Catholic School.

We have a standing invitation to Ashford Central School leaders and while they would like to participate in the group, they have difficulty making it into Inverell for the meeting. We have included these students on zoom and continue to do so when their availability allows.

Most Youth Council activities were in the first half of 2023 in tandem with National Youth week in April. Our initial meetings brainstormed suitable activities for this community sector resulting in YAC running both the Primary School Disco at Ross Hill School and the Family Movie Night at Campbell Park during Youth Week.

The Disco was very well attended with around 300 students from all the Inverell primary schools. Teachers from these schools gave up their time to assist with supervision. The YAC members lead the activities, ran the games, provided the band, served the food and chose the music. From all accounts, the students relished the opportunity to have some fun and show off their dance moves.

The Family Movie night was equally well attended, showing Mama Mia on the big screen. Again, the YAC members helped coordinate, order food and serve on the night. Their willingness was exemplary, and this engagement was a reason for the success of the night.

The Careers Expo in June was another event initiated by YAC. While organisation of the Expo was led by Council, it was well attended by YAC members, and they all promoted and supported it. There was a huge variety of career opportunities available for students' consideration. Equally, educational institutions and industry had the opportunity to meet and attract this school leaver demographic.

Finally, in October we staged the Community Colour Run. Approximately 400 people attended, and it was a huge success. Council was the primary organiser but the YAC members were instrumental in facilitating the activities.

Photos of all events can be found at the bottom of this report.

Having come to the end of the year, we have called for new members for YAC for 2024. I am pleased to report that the change-over meeting in October was well attended, and we have a great new group of members going forward. I am grateful for the leadership shown by members departing the committee and recognise that because of this, we have continued representation. That said, it must also be recognised that the understated management by Council, namely Peter Caddey & Nikki Baxter, is a secret to the success of YAC and I thank them both most sincerely for their contribution to the committee.

A series of five (5) questions were posed to the YAC to gain feedback. Their responses were detailed.

**1. *What have you got out of being a member of the Youth Advisory Council?***

Being a member of the Youth Advisory Council has been an enriching experience. It has provided us with a platform to actively engage with our community, voice the concerns of the youth, and actively contribute to programs that help community morale. Through

collaborative efforts, we've gained valuable skills in teamwork, communication, and leadership.

**2. What do you feel are the greatest achievements of YAC to date?**

The Youth Advisory Council has created events to better connect the local shire with the surrounding communities, including successful community events such as the 2023 Careers Expo, Youth Week Movie Night, and disco.

**3. Are there any challenges?**

Like any endeavour, we have faced challenges, such as balancing diverse opinions and ensuring that our initiatives resonate with the entire youth demographic. Overcoming these challenges has strengthened our ability to adapt and find innovative solutions to better serve our community.

**4. What do you hope to accomplish moving forward?**

Moving forward, we aspire to further amplify the youth voice in decision-making processes. Unfortunately, my time has come to an end as a part of the youth council, but I believe the youth advisory council will aim to expand their reach, enhance collaboration with local organisations, and implement initiatives that address emerging issues faced by the youth.

**5. Is there anything else you would like to say?**

We would like to express our gratitude to the Council and the community for their ongoing support. The success of the Youth Advisory Council is a testament to the collaborative spirit of our members and the commitment of all involved. We look forward to continued collaboration and the positive impact we can collectively make.

It is indeed wonderful to see this group of young adults highly engaged and keen to be the voice of their demographic for our community. I also like to think that it is giving them one of their first opportunities to show leadership which they will carry with them as they mature and contribute to society.

**Youth Disco**



### **Careers Expo**



### **Colour Run**



#### **RISK ASSESSMENT:**

Nil

#### **POLICY IMPLICATIONS:**

Nil

#### **CHIEF FINANCIAL OFFICERS COMMENT:**

Nil

#### **LEGAL IMPLICATIONS:**

Nil

#### **ATTACHMENTS:**

Nil



**11.9 NEW SOUTH WALES HOUSING CRISIS****File Number: S18.6.71 / 23/40460****Author: Anthony Alliston, Manager Development Services****SUMMARY:**

In November 2023 a report was presented to Council in regard to correspondence received from the Honourable Paul Scully MP, Minister for Planning and Public Spaces. The report outlined the NSW Government's view that there is a housing crisis and that the NSW Government had identified "limitations" across residential zones constraining the ability to deliver diverse housing in low and medium density areas.

The purpose of this report is to inform Councillors in regard to the recent announcement that the Government will now introduce a State Environmental Planning Policy to enact changes to local government planning rules.

**COMMENTARY:**Background

On the 28 November, The NSW Government announced that it will introduce a State Environmental Planning Policy to enact changes to local government planning rules to "*fast-track a greater diversity of homes like residential flat buildings of 3-6 storeys, terraces, townhouses, duplexes and smaller 1-2 storey apartment blocks in suburbs where they are not currently allowed*".

A copy of the Sydney Morning Herald media release is included as **Attachment 1** and an extract from the NSW Department of Planning and Environment's web-site is included as **Attachment 2**.

It is understood that the exhibition of the proposed State Environmental Planning Policy will continue until February 2024.

Discussion

Details of the Government's proposed changes include allowing:

- dual occupancies (two separate homes on a single lot), such as duplexes, in all R2 low density residential zones across all of NSW;
- terraces, townhouses and two storey apartment blocks near transport hubs and town centres in R2 low density residential zones across the Greater Sydney region, Hunter, Central Coast and Illawarra (the Six Cities region); and
- mid-rise apartment blocks near transport hubs and town centres in R3 medium density zones and appropriate employment zones. This will mean more housing just a short 10-minute walk (800m) from transport hubs, shops and amenities.

If a local government's planning rules match (or go further than) this new NSW Government policy, the State Government changes will not apply.

In relation to Inverell, the housing referenced above such as terraces, townhouses and two (2) storey residential flat buildings are all permitted within Inverell's only residential zone; the R1 General Residential zone. It is therefore considered that Inverell Shire Council will not be affected (at this stage) by this particular NSW Government announcement.

Conclusion

The NSW Government has announced that it will introduce a State Environmental Planning Policy to override local government planning rules. The proposed changes will be on exhibition until February 2024.

At this point in time it is considered that Inverell Shire Council do not need to revise its planning or housing “policy settings” and won’t be affected by the proposed State Environmental Planning Policy.

It must be noted, however, that seemingly innocuous state-wide planning changes can sometimes have broader and unintended consequences. Council staff will continue to monitor these reforms with specific regard to possible impacts to the Inverell Shire.

Councillors should also note that there appears to be an ever-increasing occurrence of the NSW Government mandating a *one-size-fits-all* approach to planning rules in NSW and the outcomes are not always in the best interests of local (and in particular) regional communities.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

Nil

**LEGAL IMPLICATIONS:**

Nil

**ATTACHMENTS:**

1. Sydney Morning Herald Article - 24 November 2023 [↓](#)
2. Extract from NSW Department of Planning and Environment Web-site - 24 November 2023 [↓](#)

12/4/23, 11:50 AM

Minns to lift council bans on terraces, townhouses and low-rise apartments : r/AusProperty

## Article:

The Minns government will force councils to lift long-standing bans on building terraces, townhouses and two-storey apartment blocks in a major push to dramatically increase density amid the worsening housing crisis.

The state government will overhaul planning laws to ensure low and mid-rise homes are built near transport hubs and town centres as well guaranteeing a greater diversity of housing to help NSW meet ambitious national targets.

Under the major changes, three- to six-storey unit blocks, terraces, townhouses, duplexes and smaller one- to two-storey apartment buildings will be allowed in areas currently banned by councils.

The government believes insisting that councils approve different types of housing could create about 112,000 new homes across the greater Sydney region, Hunter, Central Coast and Illawarra.

This would be equivalent to 30 per cent of the number of homes NSW needs to meet under its Housing Accord target of 377,000 new homes by 2029.

There are five main zoning types across NSW. At present, councils can decide the types of dwellings allowed in each zone. The government last month identified that terraces and one- or two-storey blocks are permitted in low-density residential (R2) zones in just two of 32 local environmental plans (LEPs) across Sydney.

This equates to only just six per cent of Sydney council areas despite 77 per cent of land across these councils being zoned for R2. Also, 60 per cent of R3 zones across Sydney currently prohibit residential unit blocks of any scale.

Under the government proposals, dual occupancies – two separate homes on a single lot, such as duplexes – will be allowed in all R2 low-density residential zones across NSW.

Mid-rise apartment blocks near transport hubs and town centres in R3 medium-density zones must also be allowed, ensuring housing is 10-minute walk (or 800 metres) from transport hubs and shops in greater Sydney, the Hunter, Central Coast and Illawarra regions.

Planning Minister Paul Scully said Sydney was one of the least dense cities in the world, but fewer than half of councils allowed low- and mid-rise residential buildings in areas zoned for such homes.

"Density done well means townhouses, apartments and terraces clustered near shops, high streets and parks," Scully said.

"We're confronting a housing crisis, so we need to change the way we're planning for more housing. We can't keep building out – we need to create capacity for more infill, with more diverse types of homes," Scully said.

Scully said housing diversity allowed people to stay in their communities and neighbourhoods through different stages of their life, with family and friends able to live nearby.

"More housing choice means more options for everyone – renters, families, empty nesters."

The government has already faced major pushback from councils after Scully wrote to mayors last month requesting they identify land for medium- and low-density housing, including terrace houses.

Hills Shire Mayor Peter Gangemi labelled the government's push for medium-density a "Trojan horse" which would lead to "one-size-fits-all homes that aren't suited to family living", while Ku-ring-gai mayor Sam Ngai said the proposal was not the "right solution".

However, as the government stares down housing targets set under the National Housing Accord, Scully is pushing ahead with plans to make it easier for developers to build homes which make up the so-called "missing middle" of Sydney's housing mix.

[https://www.reddit.com/r/AusProperty/comments/185eua5/minns to lift council bans on terraces townhouses/?rdt=60860](https://www.reddit.com/r/AusProperty/comments/185eua5/minns_to_lift_council_bans_on_terraces_townhouses/?rdt=60860)

1/2

12/4/23, 11:50 AM

Minns to lift council bans on terraces, townhouses and low-rise apartments : r/AusProperty

Earlier this month the government announced it was compiling a set of standardised "pattern book" designs for low- and medium-density housing that could be rolled out across Sydney without going through the lengthy planning approval process.

The Herald has also previously revealed that the government intends to roll out a series of priority density zones near existing Metro stations, while Scully last week moved to scrap the Greater Cities Commission after he was left unimpressed by what he saw as insufficiently ambitious housing targets.

[https://www.reddit.com/r/AusProperty/comments/185eua5/minns to lift council bans on terraces townhouses/?rdt=60860](https://www.reddit.com/r/AusProperty/comments/185eua5/minns_to_lift_council_bans_on_terraces_townhouses/?rdt=60860)

2/2

12/4/23, 11:54 AM

New planning rules to fast track low and mid rise housing | Planning

## New planning rules to fast track low and mid rise housing

28 Nov 2023

The Minns Government is confronting the housing crisis with bold reforms to create tens of thousands of new, well-located, low-and mid-rise homes.

The Government is announcing changes that will fast-track a greater diversity of homes like residential flat buildings of 3-6 storeys, terraces, townhouses, duplexes and smaller 1-2 storey apartment blocks in suburbs where they are not currently allowed.

The reforms create capacity for industry to deliver up to an estimated 112,000 new homes across the Greater Sydney region, Hunter, Central Coast and Illawarra-Shoalhaven.

This represents 30 per cent of the number of homes NSW needs to meet under its Housing Accord target of 377,000 new homes by 2029.

Currently, each local council has its own rules for what kind of homes can be built in their area. In many local government areas, these rules do not allow the types of homes that we need for the next generation, housing close to transport, infrastructure and social amenity.

In October the Government identified a significant gap in the approval of density, with terraces and 1-2 storey unit blocks allowed under R2 zoning in only two of 32 Local Environmental Plans (LEPs) – that's just six per cent of the LEPs across Sydney.

R2 is a zone for land which is made up of low density housing.

This 'missing middle' has meant that low rise density has been ignored in the face of a growing housing crisis.

Additionally, sixty percent of R3 zones across Sydney (where multi dwelling housing is appropriate and should be encouraged) presently prohibit residential flat buildings of any scale.

Details of the Government's proposed changes include allowing:

- dual occupancies (two separate homes on a single lot), such as duplexes, in all R2 low density residential zones across all of NSW.
- terraces, townhouses and two storey apartment blocks near transport hubs and town centres in R2 low density residential zones across the Greater Sydney region, Hunter, Central Coast and Illawarra (the Six Cities region).
- mid-rise apartment blocks near transport hubs and town centres in R3 medium density zones and appropriate employment zones. This will mean more housing just a short 10-minute walk (800m) from transport hubs, shops and amenities.

The Government will introduce a State Environmental Planning Policy (SEPP) to enact these changes while simultaneously encouraging councils to add these types of dwellings to their own planning rules.

If a local government's planning rules match – or go further than – this new NSW Government policy, the State Government changes will not apply.

The Government has previously written to councils, asking them to review local policy settings to allow for more housing in low and medium density zones across their local government area.

12/4/23, 11:54 AM

New planning rules to fast track low and mid rise housing | Planning

National Housing Accord targets were set at the National Cabinet with all three levels of Government represented.

The plans will go on public exhibition for public feedback from next week.

**Minister for Planning and Public Spaces Paul Scully said:**

"Sydney is one of the least dense cities in the world but fewer than half of councils allow for low and mid-rise residential buildings in areas zoned for such homes.

"We're confronting a housing crisis so we need to change the way we're plan for more housing, we can't keep building out we need to create capacity for more infill, with more diverse types of homes.

"Diversity of housing allows people to stay in their communities and neighbourhoods through different stages of their life, with family and friends able to live nearby. More housing choice means more options for everyone – renters, families, empty nesters.

"Density done well means townhouses, apartments and terraces clustered near shops, high streets and parks.

"We already have great examples of these types of homes. Sydney has grown using these housing types. Look at homes in Wollstonecraft, Waverton, Erskineville, parts of Wollongong or Newcastle. They're great places to live, we just need more of them."

Updated 28 November, 2023

**11.10 REVIEW OF THE RATE PEG METHODOLOGY**

**File Number:** S25.11.3 / 23/40530

**Author:** Paul Pay, Director Corporate and Economic Services

**SUMMARY:**

Over the last year the Independent Pricing and Regulatory Tribunal (IPART) have consulted widely with ratepayers, councillors, council staff and other stakeholders across NSW to review the Rate Peg Methodology. IPART has now released its Final Report on the Rate Peg Methodology.

**COMMENTARY:**

Council were advised at the November 2023 Ordinary Meeting that IPART had released its final report on the rate peg methodology and that a more comprehensive report on the new methodology would be provided at the December Council meeting.

On 9 November 2023, IPART released its final report on their review of the rate peg methodology, after receiving the letter of approval from the Minister for Local Government to release the report.

A copy of the final report can be accessed at: <https://www.ipart.nsw.gov.au/documents/final-report/final-report-review-rate-peg-methodology-august-2023>

The new method for setting the rate peg is simpler than the old method and will result in rate pegs that more accurately reflect changes in the costs NSW councils incur in providing their current services. It will use forward-looking measures of councils' base costs, and the changes also better capture the diversity of councils across the State.

The new rate peg for each Council is based on the following calculations:

***The Core Rate Peg:***

- The Base Cost Change (BCC) for its council group;
- A catch-up adjustment for past changes in the superannuation guarantee rate;
- Productivity factor;
- A separate Emergency Services Levy (ESL) factor to reflect annual changes in council ESL contributions that differ from the changes to the council's BCC. Council ESL contributions support the work of emergency services in NSW;
- Additionally, some councils will receive a council-specific adjustment in their rate peg for the 2024-25 financial year to reflect the increase in the ESL in the years when increases were not captured by the rate peg because they were subsidised by the NSW Government. IPART intend to phase in the subsidised increases that were previously excluded over several years, and at different rates for different councils, to manage affordability for ratepayers. IPART plan to consult on how best to phase in these increases.

***Plus, Population Factors:***

- An annual population factor to adjust for the change in the residential population of a council area (excluding the prison population) from 2020-21 to 2021-22; and



- A population true-up based on 2021 Census data.

### **Formula**

The new rate peg methodology is described by the following formula:

$$\text{Rate peg} = \text{BCC} - \text{productivity factor} + \text{population factor} + \text{ESL factor} + \text{other adjustments}.$$

IPART made the decision to make major changes to the rate peg methodology to apply from the rate peg for the 2024-25 financial year and recommended the NSW Government commission an independent review of the financial model for councils in NSW.

The new rate peg methodology is designed to respond to many of the issues raised in consultation. However, it cannot address all the issues people have highlighted during the consultation. The rate peg cannot adequately address the efficiency or sustainability of the cost base of councils.

IPART believes it would be timely for the NSW Government to initiate an independent investigation into the financial model for councils in NSW, including broader issues highlighted in consultation throughout this review. The Minister for Local Government The Hon Ron Hoenig MP has commissioned this investigation by asking IPART to undertake a review of Local Government Financial Sustainability.

### **Background**

In December 2021, IPART released the rate peg for 2022/2023 with the core rate peg being only 0.7%. The core rate peg was then increased by the population factor where applicable. Inverell Shire Council received a rate peg of 0.7%.

While no one denies that the 0.7% might very well reflect IPART's local government cost index (LGCI) calculations, the problem and the criticism lies in the fact that for the 12 months to December 2021, the CPI (for NSW) came in at 3.1% (which is some 440% higher than the rate peg related cost component). The problem lies in the fact that the LGIC is always calculated on an historical cost basis and in this case the LGIC has been calculated "as at 30/6/21" a two-year lag, while the CPI was running hot since July 2021 (and all indications at the time suggested that inflation will continue to run hot for a while to come).

After strong criticism from Local Government NSW, NSW Rates Professionals and many Councils, the Minister for Local Government initiated two (2) major IPART tasks:

1. Implement an Additional Special Variation (ASV) application process letting some Councils seek a general rate increase for YE 22/23 (up to a maximum 2.5%). This process allowed Inverell to increase the 2022/2023 rate peg to 2.5%.
2. Review the rate peg methodology. (The subject of this report.)

### **IPART Review Process**

IPART's rate peg review process is depicted in the following timeline:



IPART published an issues paper in September 2022 and invited submissions from all interested parties. IPART received 96 submissions (including a submission from Inverell Shire Council), most of which were from councils and council organisations. IPART also held seven (7) public workshops – three (3) in-person workshops in Wagga Wagga, Sydney and Tamworth, and 4 online workshops – in late November and early December 2022 (Inverell participated in the online workshops).

IPART then undertook their own analysis, sought expert advice, and considered the stakeholder views they heard through their consultation. Given the diversity of these views, IPART developed a range of options for improving the rate peg methodology and undertook further consultation to test and refine these options before making their draft decisions.

The Office of Local Government granted an extension to the review to allow for this further work. Then, in March and April 2023, IPART held four (4) technical workshops (one with ratepayers and three (3) with representatives from local government including councils, and academics). IPART limited the number of stakeholders invited to participate in these workshops to allow for a more targeted and technical discussion of the options for each element of the rate peg methodology. Inverell participated in these workshops.

IPART also engaged ORIMA, a specialist market and social research company, to undertake two (2) NSW-wide surveys to better understand the views of residential and business ratepayers. ORIMA carried out these surveys in November 2022 and March-April 2023 respectively. 3396 residential and business ratepayers participated in these surveys. ORIMA also held five (5) focus groups – three (3) with residential ratepayers and two (2) with business ratepayers – to further explore the survey results.

In June 2023, IPART published its Draft Report. IPART considered all views they received as part of their draft decisions and recommendations. IPART received 73 submissions, most of which were from councils and council organisations. Lastly, IPART held an online Public Hearing on 18 July 2023, which was attended by 115 stakeholders (including Inverell Shire Council). This provided another opportunity for stakeholders to have their say on our draft decisions.

### What IPART heard from Councils

Councils raised a range of specific concerns about the old rate peg methodology, which mostly relate to how accurately it measured the change in their base costs. For example, they said to improve the methodology IPART should:

- improve the LGCI so that it better reflects their actual costs
- address volatility in the rate peg associated with the lag between when the change in the LGCI is measured and when councils apply the resulting rate peg to their rates income
- better account for differences between individual councils and/or council types

- better reflect councils' actual labour costs, including by recognising their need to compete with private and public sector employers to attract and retain staff
- improve the population factor to better reflect changes in councils' base costs associated with population growth
- capture the change in costs due to external factors outside of councils' control – such as their ESL contribution, and managing the risks of climate change and natural disasters, and cyber security threats.

Councils also raised concerns about the broader regulatory framework for local government, and its impact on their financial sustainability. They identified a range of issues they consider undermine their financial position and limit the effectiveness of the rate peg in maintaining their financial sustainability.

In response to IPART's Draft Report, councils were generally supportive of the new methodology:

- Most support the BCC model and support introducing separate BCC models for metropolitan, regional, and rural councils.
- Most support a council-specific adjustment factor to reflect the costs of the ESL. However, many were concerned about our draft proposal to set ESL factors and a final rate peg in May.
- Many also support maintaining the approach to make adjustments to the rate peg for external costs, as in the old methodology. Some also largely supported IPART creating a process to develop adjustment factors for groups of councils to recover specific external costs.
- There were mixed views on the population factor but most supported excluding prison populations.
- Most thought that a productivity factor would penalise councils for productivity improvements and would therefore be a disincentive to pursue them.
- Many prefer a staged implementation of changes to the rate peg methodology over 2 years and to include an adjustment for the impact of transitioning from the LGCI to the BCC model.
- Many supported an independent review of the financial model for councils in NSW and improvements to the broader regulatory framework, including improving equity in the rating system.

### **IPART Decisions, Recommendations and Findings**

Under the delegations provided from the Minister of Local Government in 2010, IPART have authority to implement the following decisions for the rate peg for the 2024-2025 financial year:

1. To replace the LGCI with a Base Cost Change model with 3 components:
  - a. employee costs
  - b. asset costs
  - c. other operating costs.
2. To develop separate Base Cost Change models for 3 council groups:
  - a. metropolitan councils (Office of Local Government groups 1,2,3, 6 and 7)
  - b. regional councils (Office of Local Government groups 4 and 5)
  - c. rural councils (Office of Local Government groups 8 to 11).
3. For each council group, calculate the Base Cost Change as follows:
  - a. For employee costs, we will use the annual wage increases prescribed by the Local Government (State) Award for the year the rate peg applies. When the Award increase is not available, we will use the Reserve Bank of Australia's forecast change in the Wage Price Index from the most recent Statement on Monetary Policy (averaging the changes over the year to June and December for the year the rate peg applies). We will adjust for changes in the superannuation guarantee.
  - b. For asset costs, we will use the Reserve Bank of Australia's forecast change in the Consumer Price Index from the most recent Statement on Monetary Policy (averaging the changes over the year to June and December for the year the rate peg applies), adjusted to reflect the average difference between changes in the Producer Price Index (Road and bridge construction, NSW) and changes in the Consumer Price Index (All groups, Sydney) over the most recent 5-year period for which data is available.
  - c. For other operating costs, we will use the Reserve Bank of Australia's forecast change in the Consumer Price Index from the most recent Statement on Monetary Policy (averaging the changes over the year to June and December for the year the rate peg applies).
  - d. Weight the 3 components using the latest 3 years of data obtained from the Financial Data Returns of councils in that group and update the weights annually.



4. To release rate pegs for councils around September each year, for the upcoming financial year.
5. To include a separate ESL factor, lagged by one-year, in our rate peg methodology that reflects the annual change in each council's Emergency Services Levy (ESL) contribution. This factor will reflect an individual council's contribution based on:
  - a. ESL contribution assessment notices for councils that do not engage in ESL contribution cost sharing arrangements.
  - b. ESL contribution assessment notices and cost sharing allocation information for councils that engage in ESL contribution cost sharing as part of a rural fire district agreement.
6. To use the information we have collected on cost sharing to set ESL factors until notified of changes to the arrangement by relevant councils in the district.
7. To publish the cost sharing information we have used to calculate ESL factors on our website when we set the rate peg each year – subject to receiving permission from the relevant councils and agencies.
8. To include an additional specific adjustment factor to the rate peg to reflect the impact of discontinuing the ESL subsidy. We may choose to phase in the adjustment over one or more years and at different speeds for different councils.
9. To maintain our existing approach and include specific adjustment factors in the rate peg methodology on an as needs basis for external costs.
10. To change the 'change in population' component of the population factor to deduct prison populations from the residential population in a council area and then calculate the growth in the non-prisoner residential population of a council area for the relevant year. We will not make retrospective adjustments for previous population factors.
11. To retain the productivity factor in the rate peg methodology and for it to remain as zero by default unless there is evidence to depart from that approach.
12. To implement decisions 1-11 under section 18 of our Final Report from the rate peg for the 2024-25 financial year, if it is feasible to do so.
13. To establish a council implementation reference group to advise on the implementation of our new rate peg methodology.
14. To review our rate peg methodology at least every five years, unless there is a material change to the sector or the economy, to ensure its stays fit for purpose.

IPART made one recommendation to the Office of Local Government:

1. That the NSW Government consider commissioning an independent review of the financial model for councils in NSW including the broader issues raised in this report.

IPART also set out two key findings from the review:

1. The 2-year lag under our old rate peg methodology does not allow for changes in council costs to be reflected in a timely manner in the rate peg. This can be problematic during periods of cost volatility.
2. Some councils that are part of rural fire districts have entered arrangements with other councils to share the costs of the Rural Fire Service component of the Emergency Services Levy (ESL) contribution. They pay an amount that is different to the total ESL contribution set out in their assessment notice.

*Source: IPART Review of the rate peg methodology – Final Report, pages 20-22 “Our decisions, recommendations, and findings”*

### **Inflationary Impacts**

While LG NSW, NSW Rating Professionals and most Councils support the implementation of the new rate peg methodology, the new model as implemented for 2024/2025 does not make any provisions for the two-year time lag over which Council has been impacted by severe inflationary cost pressures.

As noted above, many Councils preferred a staged implementation of changes to the rate peg methodology over 2 years and to include an adjustment for the impact of transitioning from the LGCI to the BCC model. However, IPART decided not to include any additional adjustments in the rate peg to capture recent inflationary impacts. This is because the divergences caused by the 2-year lag in the LGCI even out over time, and some councils have already received an additional increase for higher-than expected inflation rates through the additional special variations in 2022. IPART noted that councils may apply through the special variations process, if required, for an adjustment due to past inflationary impacts.

### **Emergency Services Levy (ESL)**

While the new methodology did not make any provisions for recent inflationary impacts, the model does provide provisions to capture the ever-increasing costs associated with the ESL through the ESL factor.

The ESL factor will capture the year-on-year cost changes based on the invoiced amounts that councils receive from the NSW Government with a one-year lag. For example, the rate peg for the financial year 2024-2025, IPART will calculate the change in the ESL contribution between 2022/2023 and 2023/2024.

Over the last several years, the NSW Government has subsidised increases in council ESL contributions. These subsidies have not been factored into the rate peg. For the 2023-24 ESL contributions, the NSW Government discontinued this subsidy, and this has resulted in substantial increases in councils' ESL contribution costs. IPART have decided to capture the impact of removing the ESL subsidy in the rate peg through a separate specific adjustment factor.

Including the impact of the subsidy will likely increase the rate peg by a significant amount for some councils. So, to limit the impact on ratepayer affordability IPART considered it was appropriate to phase in this increase over several years.

**11.11 PCG MEETING - INVERELL AQUATIC CENTRE REPLACEMENT**

**File Number:** S5.9.27 / 23/40559

**Author:** Greg Doman, Manager Environmental Health

**SUMMARY:**

A Project Control Group (PCG) has been established for the Inverell Aquatic Centre Replacement. Minutes of the PCG meetings are provided to the Councillors for their information.

**COMMENTARY:**

A Project Control Group (PCG) meeting was held on 6 December 2023 for the Inverell Aquatic Centre Replacement.

**Attachment 1** contains a copy of the minutes from the meeting held on 6 December 2023 for the information of the Councillors.

**ATTACHMENTS:**

1. Inverell Aquatic Centre Replacement PCG Minutes - 6 December 2023 [↓](#)



**MINUTES OF INVERELL SHIRE COUNCIL  
INVERELL AQUATIC CENTRE REPLACEMENT - PROJECT CONTROL GROUP MEETING  
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,  
INVERELL  
ON WEDNESDAY, 6 DECEMBER 2023 AT 9.00AM**

**PRESENT:** Brett McInnes (General Manager), Greg Doman (Manager Environmental Health), Cr Stewart Berryman and Peter Atkinson (Project Manager).

**1 APOLOGIES**

PAUL PAY (DIRECTOR CORPORATE AND ECONOMIC SERVICES).

**2 CONFIRMATION OF MINUTES**

**RECOMMENDATION:**

Moved: Mr Brett McInnes

Seconded: Cr Stewart Berryman

*That the Minutes of the Inverell Aquatic Centre Replacement - Project Control Group Meeting held on 9 November, 2023, as circulated to members, be confirmed as a true and correct record of that meeting.*

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

Nil.

**4 BUSINESS ARISING FROM PREVIOUS MINUTES**

General Manager provided an update in relation to Council's Growing Regions Program Application. Council's round 1 Expression of Interest has been successful and Council has subsequently been invited to submit an application for the next stage.

**5 MATTERS FOR DETERMINATION**

**5.1. CONSTRUCTION CERTIFICATE**

On 23 November 2023 the Construction Certificate for the Inverell Aquatic Centre Replacement was issued. The issuing of the Construction Certificate will now allow for physical construction works to commence on the site.

**5.2. ON-SITE ACTIVITIES**

Hines Constructions have been undertaking minor site preparation works consisting of final trimming, compaction and sub base preparation. The detailed layout of 25/50m pool sub base and facility area of the building will be complete this week. The screw pile contractor is scheduled to commence on-site on the 11 December 2023.

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Inverell Aquatic Centre Replacement - Project Control Group Meeting  
Minutes

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6 December 2023

Peter Atkinson (Project Manager) provided an update in relation to current work being undertaken and advised it is anticipated that before Christmas, 500 screw piles will be installed. The progressive installation of the aggregate drainage layer will also occur during these works.

During the Christmas and New year period construction works on the site will be stood down from Friday, 22 December 2023 and will resume on the 8 January 2024.

**5.3. DESIGN REVIEW**

On 16 November 2023, Council received amended plans following the 70% design review. A meeting was held on 24 November 2023 with the Specialist Advisory Team and Council Staff to review these plans.

This review identified that the majority of previous outstanding items raised as part of the initial 70% design review had been addressed. As a result of the amended plans containing more detailed design a revised action list was developed and forwarded to Hines Constructions for comments.

The PCG and Specialist Advisory Team will continue to review the 100% plans throughout December 2023.

**5.4. MILESTONE 3 PROGRESS REPORT - MULTI-SPORT COMMUNITY FACILITY FUND 2021/22 (ROUND 1) — MSCFF-21/22-0070 — INVERELL AQUATIC CENTRE – INCLUSIVE REDEVELOPMENT AND EXPANSION**

The Milestone 3 Progress Report was signed by all present Committee Members.

**5.5. CONSIDERATION OF CLAIM 9**

That the PCG unanimously support the payment of progress claim number 9 in the amount of \$148,901.14.

**6 MATTERS WITHOUT NOTICE**

General Manager requested that an update be provided to the PCG regarding the Inverell Aquatic Centre third party review undertaken into the Operation Energy Report and the Contractor Design Review.

General Manager requested that further work be undertaken in relation to potential additional renewable energy opportunities for the Inverell Aquatic Centre and a further report be prepared for the PCG consideration.

Cr Berryman supported the need to investigate thoroughly all potential energy cost saving considerations for the Inverell Aquatic Centre.

**7 NEXT MEETING**

To be advised.

**The Meeting closed at 9.22am.**

**11.12 COST SHIFTING SURVEY FOR 2021/2022****File Number: S14.9.4 / 23/40635****Author: Paul Pay, Director Corporate and Economic Services****SUMMARY:**

Local Government NSW (LGNSW) has released its 2021/2022 cost shifting survey. The following information is provided for Council's information regarding the total cost shift onto NSW Councils by the Federal and State Governments.

**COMMENTARY:**

Cost shifting remains one of the most significant challenges facing the NSW local government sector. As the peak organisation representing the interests of all 128 general purpose councils in NSW, as well as special purpose councils and related entities, Local Government NSW (LGNSW) regularly monitors the extent of cost shifting onto local government via its Cost Shifting Survey.

The 2021–22 Cost Shifting Survey, conducted by the respected consulting firm Morrison Low, has found that cost shifting cost NSW councils \$1.36B in 2021–22, which represents on average \$460.67 for each ratepayer. This represents an increase of \$540M since the Cost Shifting Survey was last carried out in 2017–18.

In effect, this is the average amount of rates that councils must divert from the services and infrastructure that council has committed to provide the community in order to fund the unrecoverable cost services, programs and functions that are imposed from the State or Federal governments.

The increase in cost shifting has been accelerated by various State Government policies, with the most significant examples of cost shifting in 2021–22 being:

- The waste levy, which remains the largest single contributor to cost shifting in NSW, totalling \$292.9M.
- The Emergency Services Levy and associated emergency service contributions, which totalled \$165.4M and represented the largest direct cost shift to local councils.
- The NSW Government's failure to fully reimburse local councils for mandatory pensioner rate rebates, resulting in councils losing \$55.2M.
- The NSW Government's failure to cover the originally committed 50 per cent of the cost of libraries, resulting in an additional \$156.7M in costs to councils.
- The cost of rate exemptions represents a total of \$273M of potential rates that are exempted and redistributed to other ratepayers to pay.

A total of 75 out of 128 councils provided completed surveys (including Inverell Shire Council). A copy of the full LGNSW Cost shifting Reports is attached.

**CHIEF FINANCIAL OFFICERS COMMENT:**

Based on the state average (\$460.67 per ratepayer), the State Government Cost Shift to Local Government is now costing Inverell Shire Council approximately \$4M. In the General Fund this equates to 9.46% of revenue or a 25.64% rate increase).

**ATTACHMENTS:**

1. **LGNSW Cost Shifting Report** [↓](#)



## **LGNSW Cost Shifting Report – How State Costs Eat Council Rates**



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## 1 Executive Summary

Cost shifting remains one of the most significant challenges facing the NSW local government sector. As the peak organisation representing the interests of all 128 general purpose councils in NSW, as well as special purpose councils and related entities, Local Government NSW (LGNSW) regularly monitors the extent of cost shifting onto local government via its Cost Shifting Survey.

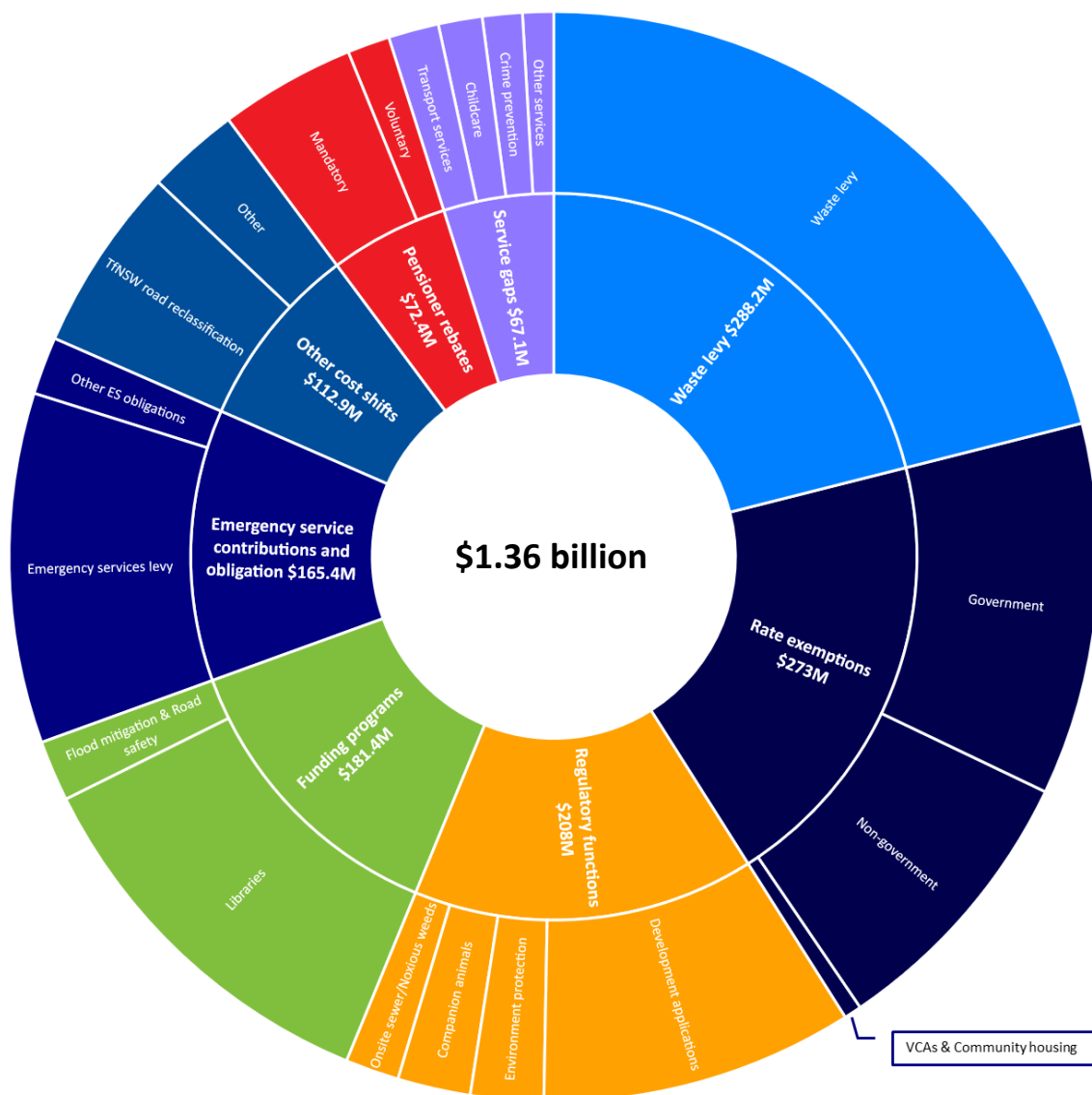
The 2021–22 Cost Shifting Survey has revealed that cost shifting totalled **\$1.36 billion** in 2021–22 (see figure on the next page), far exceeding historical records and representing an increase of \$540 million since the Cost Shifting Survey was last carried out in 2017–18. Alarming, the increase in cost shifting has been accelerated by various State Government policies, with the most significant examples of cost shifting in 2021–22 being:

- The **waste levy**, which remains the largest single contributor to cost shifting in NSW, totalling \$288.2 million, because the NSW Government did not fully reinvest the waste levy, paid by local councils, back into waste and circular economy infrastructure and programs.
- The **Emergency Services Levy** and associated **emergency service contributions**, which totalled \$165.4 million and represented the largest direct cost shift to local councils. In 2021–22, councils contributed \$142 million through the Emergency Services Levy, \$12.7 million through Rural Fire Service (RFS) obligations, and \$10.7 million in depreciation expenses on RFS assets.
- The NSW Government's failure to fully reimburse local councils for mandatory **pensioner rate rebates**, resulting in councils losing \$55.2 million.
- The NSW Government's failure to cover the originally committed 50 per cent of the cost of libraries operations, resulting in an additional \$156.7 million in costs to councils.

Local councils and their communities are facing unprecedented challenges. As they lead the recovery efforts from both the COVID pandemic and repeated natural disasters across much of NSW, local councils are also grappling with the same challenges affecting the State and Federal Governments, such as rising costs, increased economic uncertainty, and severe skills and labour shortages – all of which are impacting council budgets and affecting service and infrastructure delivery in local communities. The continual shifting of the obligations and costs for State and Federal functions and services onto local government coupled with a defective rate peg system, is only making the situation worse. In 2021–22, each ratepayer of NSW has approximately \$460.67 from councils' rates eaten by state government costs.



Figure 1 2021–22 cost shifting components





## 2 Background

### 2.1 What is cost shifting?

Cost shifting describes a situation where the responsibility for, or merely the costs of, providing a certain service, concession, asset, or regulatory function is imposed onto local government from a higher level of government (Commonwealth or State Government) without the provision of corresponding funding or the conferral of corresponding and adequate revenue raising capacity other than out of general rates.

As the council cannot raise or receive sufficient revenue to fund the imposed service concession asset or function, cost shifting forces councils to divert funding collected from ratepayers away from planned projects or services that the council has committed to the community to deliver in its Delivery Program.

In NSW, cost shifting has taken a number of forms including:

- **The Emergency Service contributions:** Councils are required to fund 11.7 per cent of the cost of Fire & Rescue NSW, Rural Fire Service (RFS) NSW and the NSW State Emergency Service (SES) through an Emergency Service Levy (ESL). 73.7 per cent of emergency services costs is funded through insurance premiums and the remaining 14.6 per cent from the NSW Government's treasuries. Councils provide additional financial contributions to emergency services agencies in addition to the ESL.
- **The waste levy:** The waste levy is not as much a cost shift to councils as an invisible tax levied on ratepayers through councils. The waste levy is a levy paid by all waste facilities to the NSW Government, the cost of this levy is recovered through the waste collection fees levied by councils, in effect shifting the burden of this tax on to ratepayers.
- **Forced rates exemptions:** Councils are required to exempt government and other organisations from paying rates in the local government area. These organisations utilise local government services and infrastructure. As they are exempt from paying rates, the burden of the costs they incur is shifted to the ratepayers to fund. Examples of exempt organisations include government departments, private schools, and non-government social housing providers.
- **Imposing additional regulatory functions:** State and Federal levels of government implement or increase regulatory requirements through legislation that is then administered by local government. The costs of this new or increased regulatory function is often not funded by the determining level of government and councils must fund this through their own revenue sources including rates.
- **Cutting or failing to adequately continue to fund programs for services that need to continue:** Many funding programs announced by State or Federal government are required to be delivered by local government but are either not fully funded from their initiation or, if an ongoing initiative, funding is reduced over time leaving councils with the decision to either continue the program and make up the burden of the cost or cease the program entirely. An example of this in Libraries, where the original commitment from State Government was to fund 50 per cent of libraries cost, it now covers approximately 8 per cent of the total costs, leaving councils to fund an additional \$156.7 million to make up the difference.



- **Pensioner rebates:** Councils are required to provide pensioner rebates on rates and other charges, for which the State government only subsidises 55 per cent of the cost, the remaining 45 per cent is funded by other ratepayers.
- **Councils absorbing the costs of service and market gaps that should have been provided by State or Federal governments:** This is particularly an issue in rural and regional NSW, where councils often must step in to provide or support a service that is traditionally delivered either directly or through subsidised private providers. This can be for a diverse range of services from aged, disability or childcare through to medical services, education, or public transport services.

## 2.2 Cost shifting and the rate peg

Cost shifting has been a term used for many years to describe the cost impact on local government of decisions made at the State and Federal level. It is particularly relevant in NSW where a rate pegging system is applied to restrict how local government can raise rates revenue.

The issue of State and Federal decisions having a direct financial impact on local government exists in all States and territories of Australia to some extent. In many cases, local government can be the best and most efficient partner for State and Federal government to deliver its programs or services.

Challenges arise with respect to how the State and Federal initiatives are, or continue to be, funded. In States where there is not a rate pegging system in place, local councils are able to better manage the financial impacts by adjusting rates or levying specific fees and charges to reflect the change in costs of providing the imposed service, concession, asset, or regulatory function.

The rate peg in NSW sets out the maximum amount that local councils can increase their rates by and is set by the Independent Pricing and Regulatory Tribunal (IPART) each year. In determining the rate peg, IPART does not adequately consider the cost shifting impacts on councils. As a result, increases in the costs shifted to councils identified here are not covered by a commensurate increase in rates revenue. This means that councils have to divert funding from other commitments agreed with their communities in their Community Strategic Plan and Delivery Program to fund the cost shift incurred. This has a direct impact on councils' ability to deliver services to the community and their overall financial sustainability.

## 2.3 This report

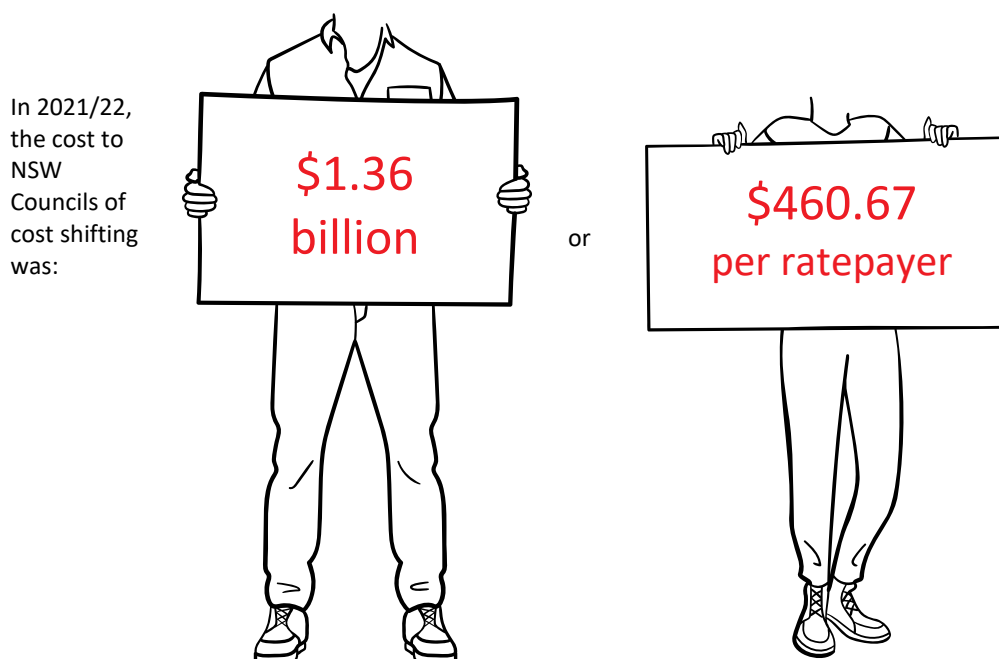
This report provides analysis and insights from the 2021–22 Cost Shifting Survey conducted in May 2023.

Section 3 of this report provides more detail on the findings from the survey, breaking down the findings into their key cost shifting areas, as identified in section 2.1 above, and Section 4 outlines the approach and methodology used in the survey and analysis..



### 3 Findings

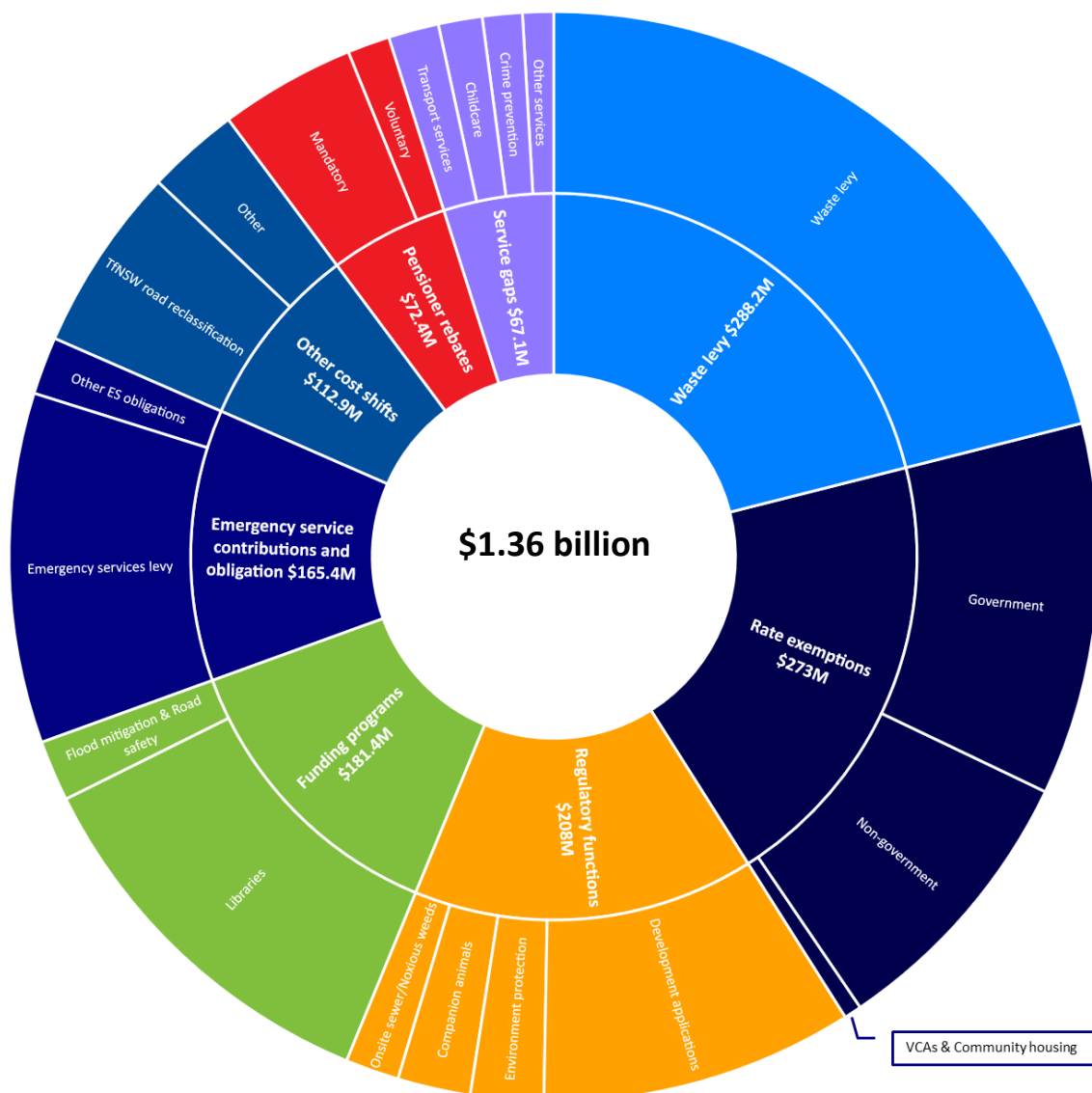
Our survey found that cost shifting cost NSW councils \$1.36 billion in 2021–22, which represents \$460.67 for each ratepayer. In effect, this is the average amount of rates that councils must divert from the services and infrastructure that council has committed to provide the community in order to fund the unrecoverable cost services, programs and functions that are imposed from the State or Federal governments.



Many services, programs, and functions that the State and Federal governments require local councils to deliver, in turn provide benefits to the local communities they serve. This report does not provide an assessment on the merit of these costs, only to bring them to light. Due to the nature of how the services, programs and functions are provided and funded, cost-shifting can be hidden from view. This analysis helps to quantify and highlight these costs for all tiers of government and the community.



Figure 2 2021–22 cost shifting components



The largest direct cost shift to councils is from emergency service contributions and other emergency service obligations, totalling \$165.4 million.

However, the cost of rate exemptions are higher still, representing a total of \$273.1 million of potential rates that are exempted and redistributed to other ratepayers to pay. An additional \$288.2 million in waste levies are passed onto the ratepayers through the waste collection fees in their rates bill. A further \$156.7 million

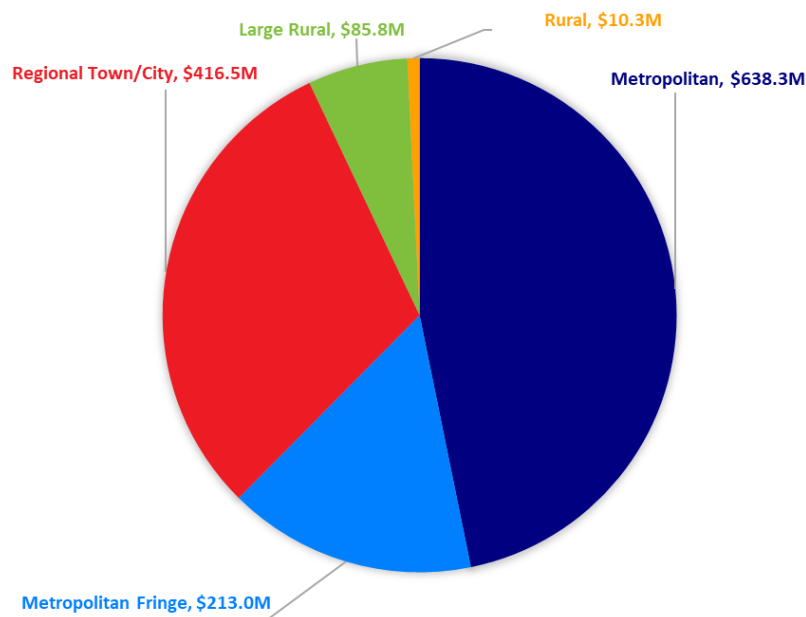




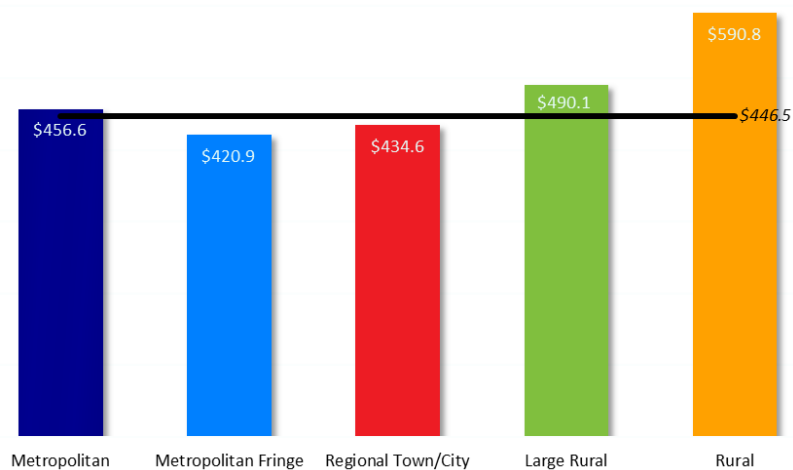
in costs for libraries has been covered by councils to make up the difference between the committed funding for councils' libraries and the subsidies received.

While in nominal terms the largest total cost shifts have been seen metropolitan councils, was on a per ratepayer basis rural and large rural councils have seen a greater impact, as the graphs below indicate.

**Figure 3 Total cost shift by council classification**



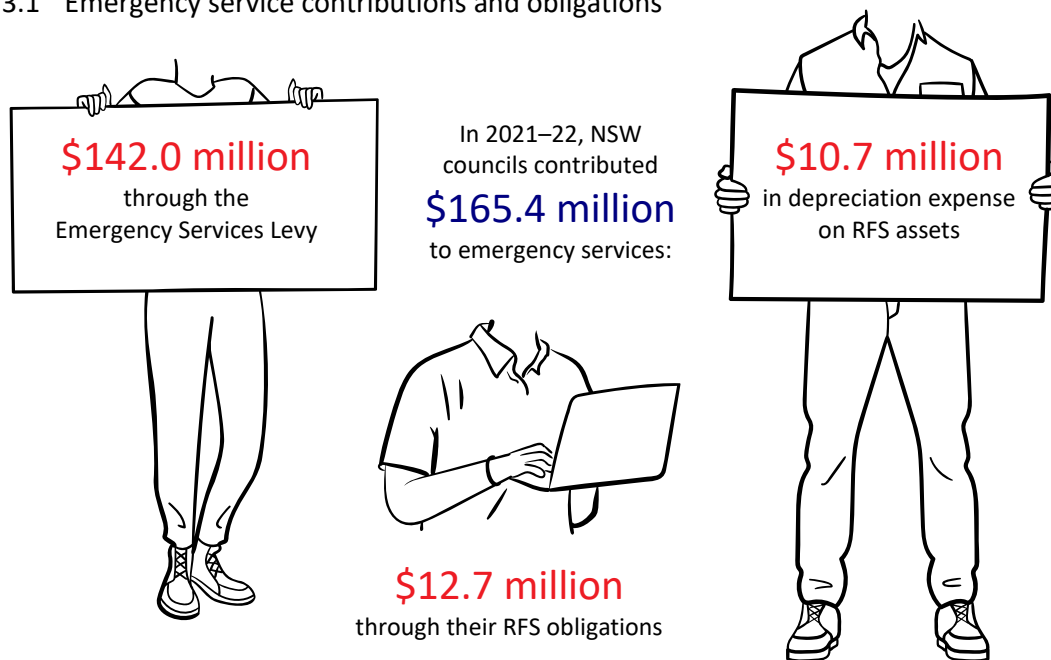
**Figure 4 Cost shift per ratepayer by council classification**





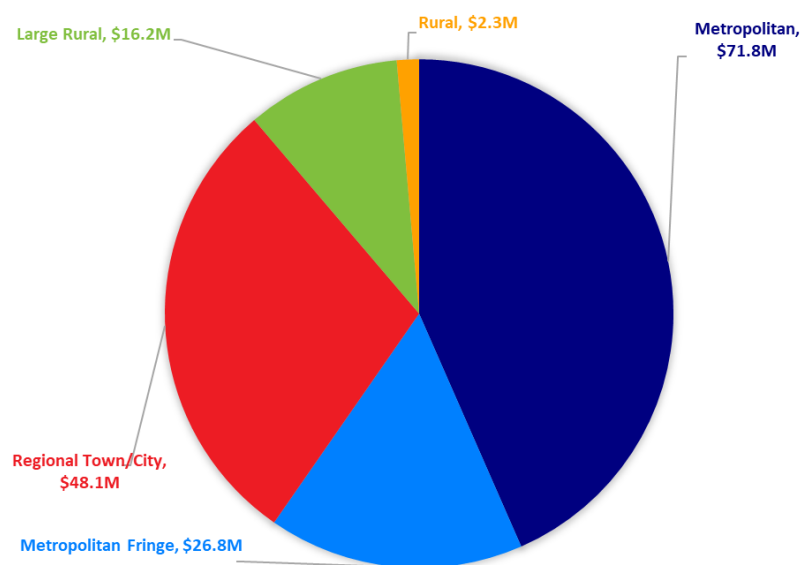
We will explore each component of rate shifting in the following sections.

### 3.1 Emergency service contributions and obligations

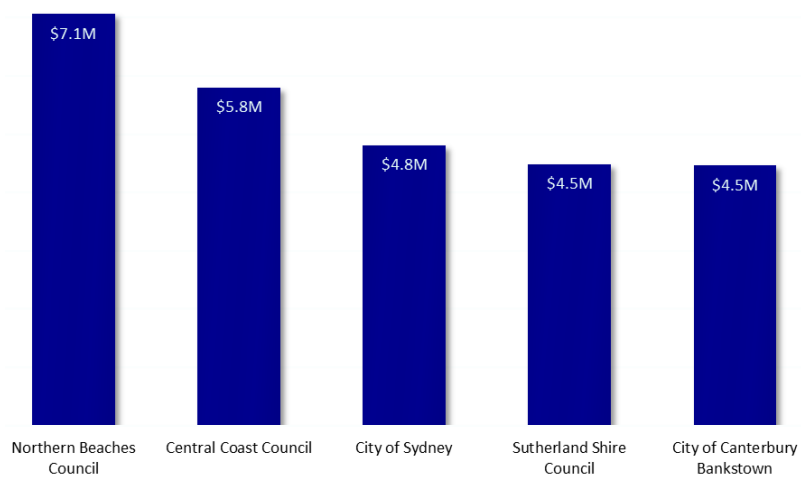




**Figure 5 Emergency services contributions and obligations by council classification**

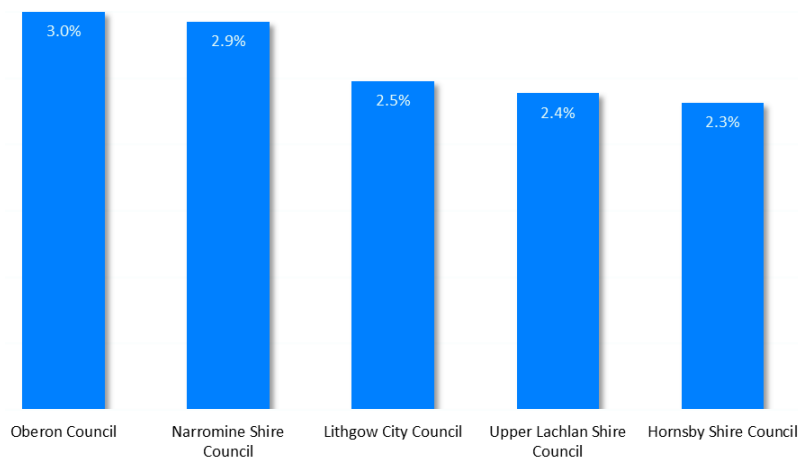


**Figure 6 Respondent councils with the highest emergency services contributions and obligations burden**





**Figure 7 Respondent councils with the highest emergency services contributions and obligations burden as a proportion of total operating expenditure**



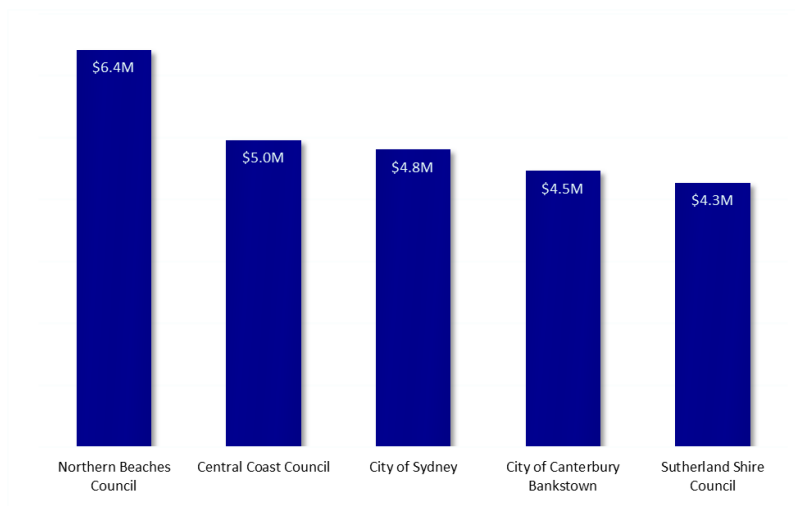
NSW councils are required to fund 11.7 per cent of the NSW SES, NSW Fire and Rescue and NSW RFS budgets through a direct contribution levied each year by the State Revenue Office. This is funded directly from general revenue, primarily rates, as councils have no ability to raise revenue to fund this in any other way.

Councils also have no influence on the costs or budget setting of these organisations. This contribution of ratepayers' funds is in addition to the Emergency Services Insurance Contribution that is extracted through insurance companies, who cover 73.7 per cent of the agencies' budgets and results in higher insurance premiums for policy holders

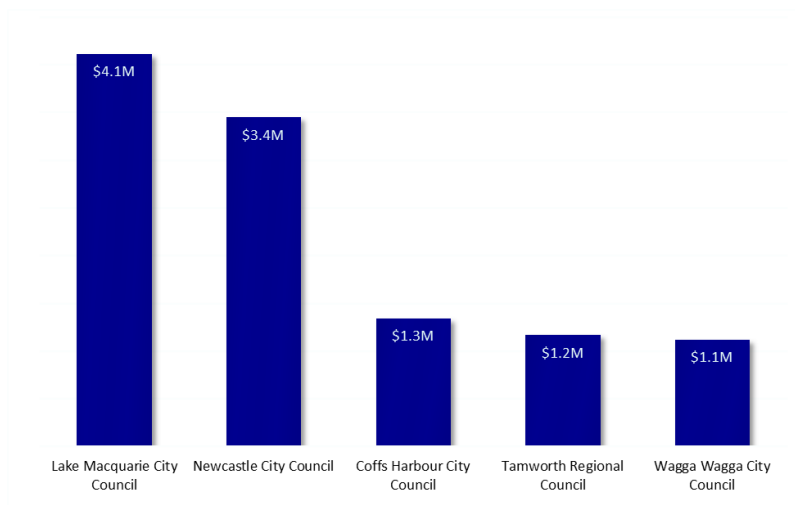
The emergency service levy is estimated to have cost NSW councils overall \$142.0 million in 2021–22. That is a total of \$46.23 per ratepayer, which goes directly to the NSW Government as part of the emergency services contribution.



**Figure 8 Respondent metropolitan and fringe councils with the largest ESL bill for 2021–22**

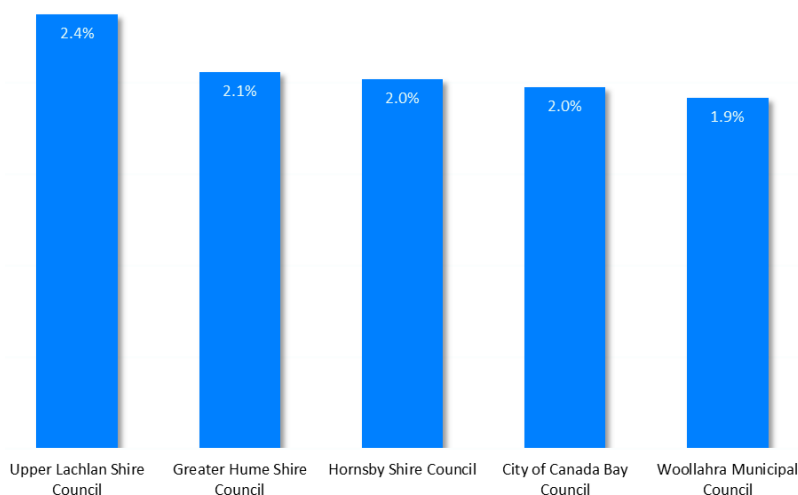


**Figure 9 Respondent regional and rural councils with the largest ESL bill for 2021–22**





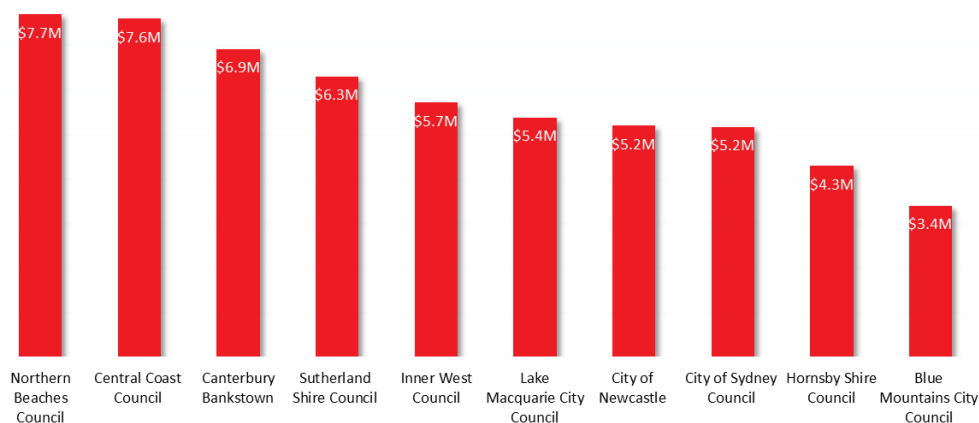
**Figure 10 Respondent councils with the largest ESL bill as a proportion of total operating expenditure**



In 2019, the NSW Government subsidised councils for the increase in Emergency Service Contribution costs, because of a large increase in the ESL resulting from large increase in workers compensation costs followed by the Black Summer Bushfires and the unfolding COVID pandemic. From the 2023–24 financial year, the NSW Government increased the budgets and therefore costs for the three relevant agencies and removed the subsidy at the same time. Councils were not advised of this change until after they had developed and put their 2023–24 budget on public exhibition as they are required to do. The increase represented a \$41.2 million cost increase from the prior 2022–23 financial year.

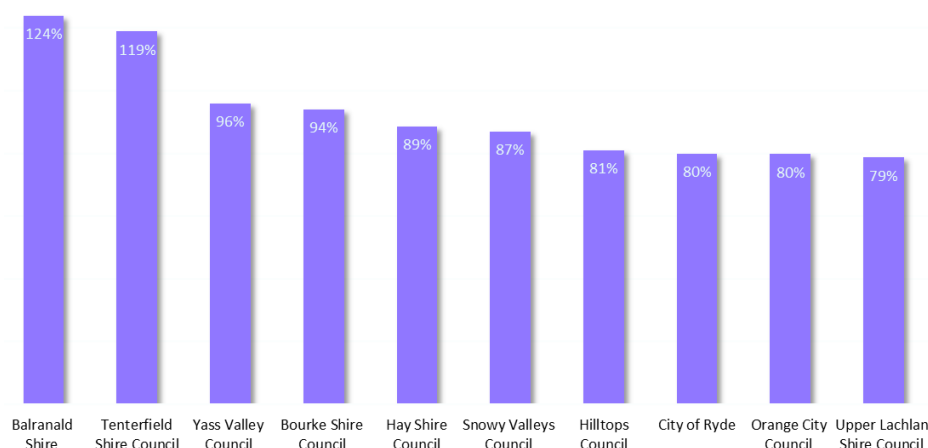
With the rate peg set at 3.7 per cent for the 2023–24 rating year, the increase in emergency services contributions has put substantial pressure on the financial sustainability of local government.

**Figure 11 Top 10 councils with the highest ESL bill in 2023–24**





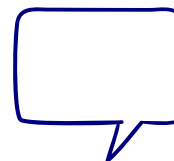
**Figure 12 Top 10 councils with the highest 2023–24 ESL increase as a percentage of the rate revenue increase**



The increases in emergency services contributions from councils have hit both the largest and smallest of councils.

“Two of the four biggest expense payments that Central Coast Council must make each year are for State government levies: the emergency services levy and the waste levy. They are in the millions each and are funded straight out of our rates and waste revenue.”

**David Farmer, CEO, Central Coast Council**



“Central Darling Shire is the largest shire in NSW covering an area of 53,000 square kilometres in Far Western NSW, but it has the smallest (and declining) population of less than 2000. CDS is not a typical shire as it consists of a series of isolated communities (Menindee, Ivanhoe, Wilcannia and White Cliffs) and large pastoral holdings. It borders the large unincorporated area of the Far West.

For Council, the Emergency Services Levy has increased by \$70,000 for 2023/24, bringing the total Council contribution to \$318,989. The increase is some \$70,000 which is more than double the increase in rates due to rate pegging.

For the 2023/2024 financial year the Council income from rates is budgeted to be \$913,000. This includes the rate peg increase of 3.7 per cent, which looks like being eaten up by the hike in the ESL.

For a Council like Central Darling this level of increase is simply unsustainable and will result in the further reduction of services to our residents.

There is a clear case for the NSW Government to fully fund this increase as part of its community service obligation as small rural councils with a limited rate base cannot afford to continue to pay.”

**Bob Stewart, Administrator, Central Darling Council<sup>1</sup>**

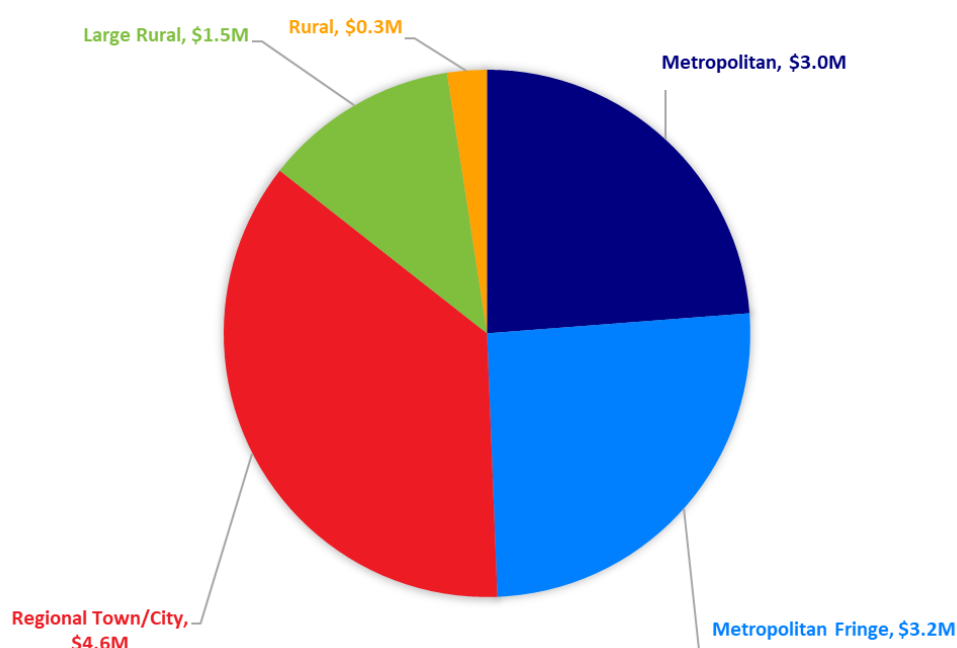
<sup>1</sup> Figure 11 does not include Central Darling’s actual result as it was not provided to LGNSW.





In addition to the emergency service levy, local councils are required to support the RFS and SES in other ways. This commitment seems to be different for different Councils. For example, for some councils, when the RFS annual budget is allocated back to the districts, some of these funds are vested in councils through the Rural Fire Fighting Fund (RFFF). These funds are then administered by councils to deliver repairs and maintenance of buildings and a small amount of plant and equipment. In some cases, Councils also fund other functions such as training and provision of office supplies. If the RFFF is insufficient to provide these in any one year, some councils will then provide further financial support directly to the districts to meet the difference. In 2021–22, the cost of this additional support has been estimated at \$12.7 million.

**Figure 13 Additional RFS contributions by council classification**



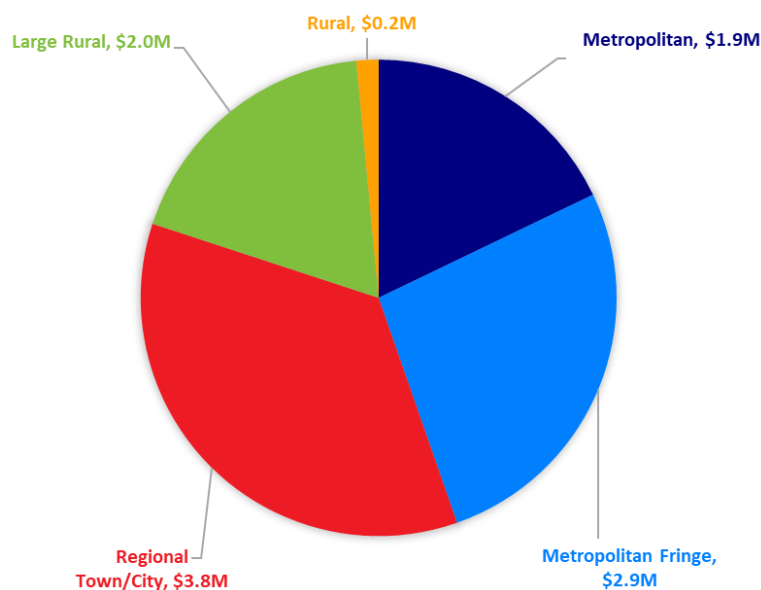
The RFS funding arrangements are the most complex of all the emergency services and creates challenges for both councils and the RFS. While councils are aware that their obligations to provide financial support to the RFS are generally over and above the RFFF, the costs at a district level are extremely volatile from one year to the next and dependent on whether there is a bushfire in the district (in which instance the district will fund some aspects of other districts' costs if they come to support the local bushfire response) or if the district comes to the aid of another district (in which instance they will receive additional funding which reduces the pressure on its own budget and therefore the financial support required from the local council).

What results is that councils have to bear the budget risk of the volatility of RFS costs and funding, while RFS districts don't have accountability for their own budgets and costs, and are not able to help to provide certainty because they don't know where the next emergency will be. Much of these volatility issues are resolved at a State level, when looking at the RFS services overall.



In addition to the direct repair and maintenance costs, councils are also required to recognise RFS red fleet assets and account for their depreciation expense in council financial reports. In 2021–22, this depreciation cost is estimated at \$10.7 million.

**Figure 14 RFS Depreciation Expense by council classification**



This has been a somewhat contentious issue in recent years and ultimately comes down to identifying where control of these assets lie. In summary, the NSW Government has concluded under the *Rural Fire Services Act 1997*, which states that these assets are vested to councils and therefore “on balance, councils control this equipment” under the Australian Accounting Standards<sup>2</sup>. The NSW Audit Office has accepted this position in undertaking their audit function of local government.

Many councils, with the support of LGNSW, have refused to accept this position, which has resulted in 43 NSW councils receiving a qualified audit opinion of their 2021–22 financial reports. Their position is that control of these assets sits with the RFS, and therefore the NSW Government, based on the Australian Accounting Standards Board Conceptual Framework, which does not necessarily define control as a legal ownership right, but rather:

*“... the present ability to direct the use of the economic resource and obtain the economic benefits that may flow from it. Control includes the present ability to prevent other parties from directing the use of the economic resource and from obtaining the economic benefits that may flow from it. It follows that, if one party controls an economic resource, no other party controls that resource.”<sup>3</sup>*

<sup>2</sup> Audit Office of New South Wales (2023) *Regulation and monitoring of local government*, NSW Government, 23 May 2023.

<sup>3</sup> Australian Accounting Standards Board (2022) *Conceptual Framework for Financial Reporting*, AASB, 7 April 2022.



This issue is ongoing, and while depreciation itself is not a cash expense, the accounting for depreciation in local government has two key financial implications. Firstly, the increase in depreciation expense will reduce a council's overall surplus or increase its deficit, which has implication for a council's measures of financial sustainability. Secondly, for most local government assets, depreciation is used as the estimate of required renewal expenditure for councils to maintain assets at their current condition. In other words, councils must fund depreciation with a similar level of capital cashflow to ensure assets are kept at required standards, this is not the case for firefighting equipment, which is funded through the State Government's budget allocation to the RFS. This remains an ongoing issue at the time of writing this report.

### 3.2 Waste levy

The waste levy is a tax on landfill facilities and only applies to 42 metropolitan and 19 regional levy areas shown in Figure 18. Although, not technically a "cost shift" – as the cost of the levy is recovered through waste charges – it represents a somewhat "invisible tax".

The purpose of the waste levy is to provide economic incentive to alternative waste management processes, such as recycling and resource recovery. The funds raised by the waste levy go directly to NSW Government general revenue. Some funds do come back to communities and councils through grants for a variety of projects, but this only represents 10 to 15 per cent of the funds raised through the tax.

The metropolitan levy at \$147.10 per tonne in 2021–22 is nearly twice the amount per tonne of the regional levy at \$84.70 per tonne in 2021–22. Some councils, such as Central Coast and Newcastle, operate their own landfill facilities and pay the levy directly to the NSW Government. Not all councils operate landfills directly, many councils have their waste managed through contracts with private providers. While these providers will incur the levy directly, councils in the levy areas will collect waste charges that include the waste levy as a component of the waste fees. Depending on how their waste management contracts are structured, some councils have been able to provide an estimate of this levy collected in the waste fees while others have not.

Of the 51 councils surveyed who are in the levy area, 36 provided an estimate of the amount paid, which totalled \$287.8 million in 2021–22. Based on this data, we have estimated the total amount of the waste levy paid through waste collection fees in 2021–22 at \$292.9 million.



Figure 15 Waste levy by council classification

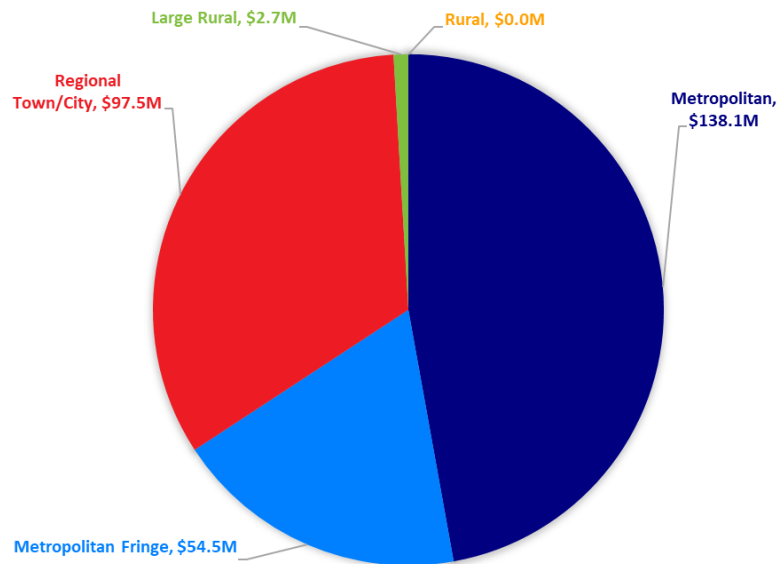


Figure 16 Respondent councils with the highest waste levy

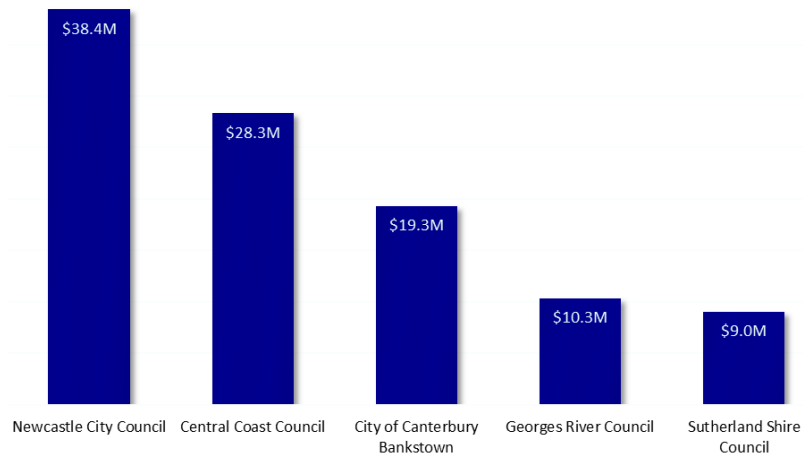
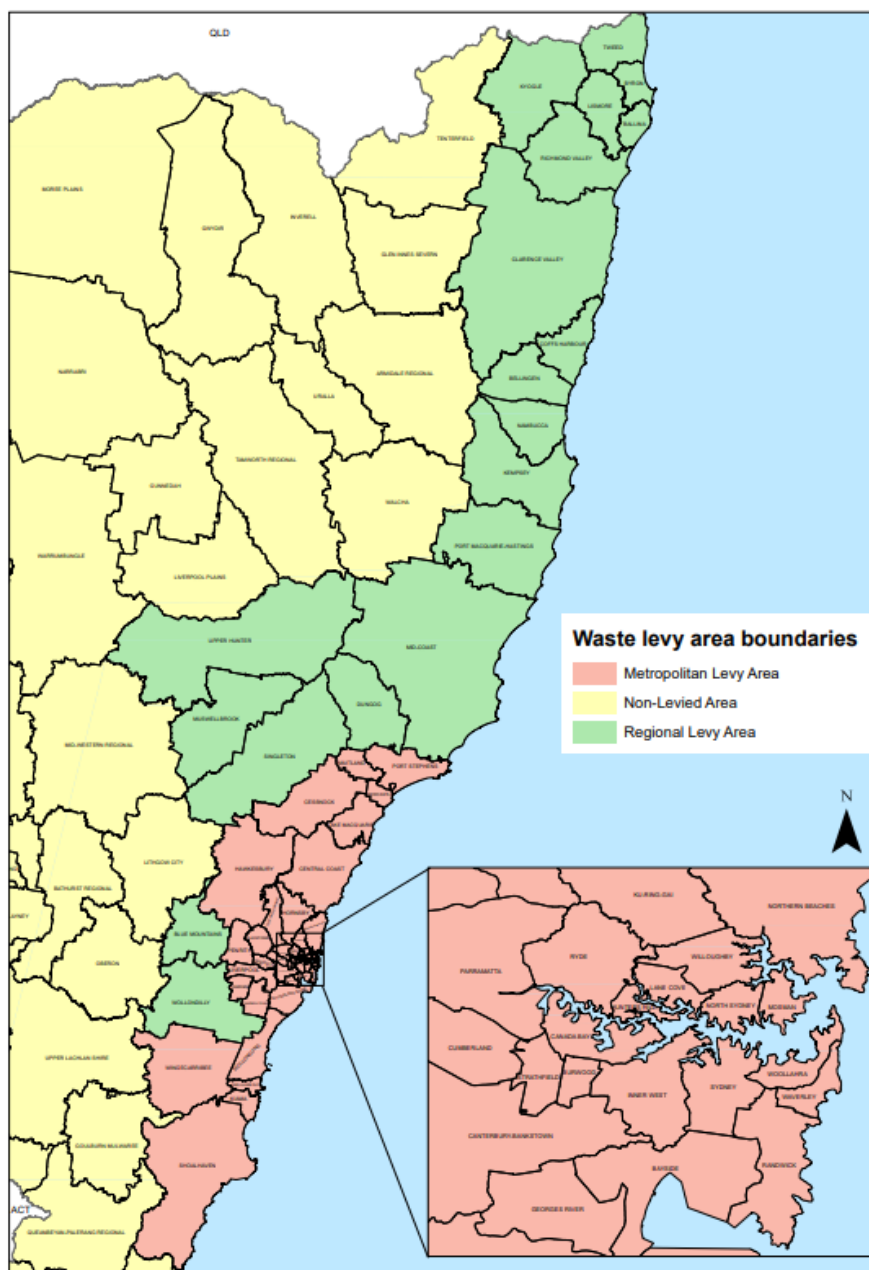




Figure 17 Waste levy area map<sup>4</sup>



<sup>4</sup> <https://www.epa.nsw.gov.au/-/media/epa/corporate-site/resources/wasteregulation/levy-area-map.pdf?la=en&hash=C00135E31055627BB8A41EAE8222864C2655B186>.



### 3.3 Rate exemptions

Many government and private property owners in a local government area are exempt from paying rates to councils. Due to the way rates are calculated, this doesn't usually affect the total amount of revenue that councils are able to raise through rates. It does mean that the distribution of the rates burden falls more heavily on the existing ratepayer base.

For government-owned properties, rate exemptions are a part of a complex set of arrangements for exemptions of some taxes between the different tiers of government. State Owned Corporations (SOCs and GTEs) pay tax on lands owned and used for commercial purposes. This is provided for under competitive neutrality policy/National Competition Policy (a notable exception to this arrangement is the Forestry Corporation). Councils are exempt from most State and Federal taxes (for example land tax, payroll tax, stamp duty, and income tax). Councils are also involved in delivering a wide range of services or regulatory functions under various State and Commonwealth Acts and they receive a large number of different grants from State and Federal governments, including the untied Financial Assistance Grants that the States administer and distribute to councils.

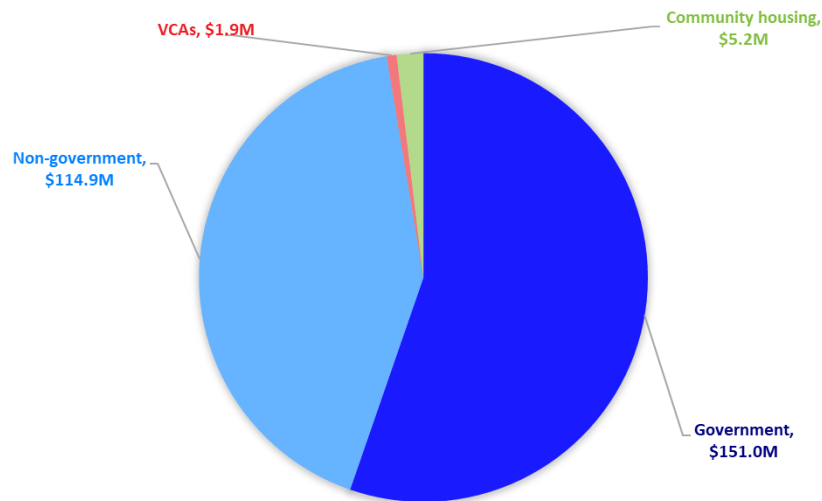
Additionally, there are many non-government organisations that are also exempt from paying rates, including private schools, hospitals and retirement villages, as well as not-for-profit organisations such as religious organisations. While these organisations are exempt from paying rates; all expect and receive services and infrastructure from councils, the cost of which is funded by ratepayers.

Community housing was an area that we asked councils about specifically as the NSW government has been in the process of transitioning the ownership and management of public and social housing to non-government Community Housing Providers. Under past practice, social and public housing provided by State Government agencies paid rate equivalents on all their properties. CHPs are exempt from rates and more and more social and public housing is moving into this category. As a result, the rates exempt status seems to be moving with the community housing property.

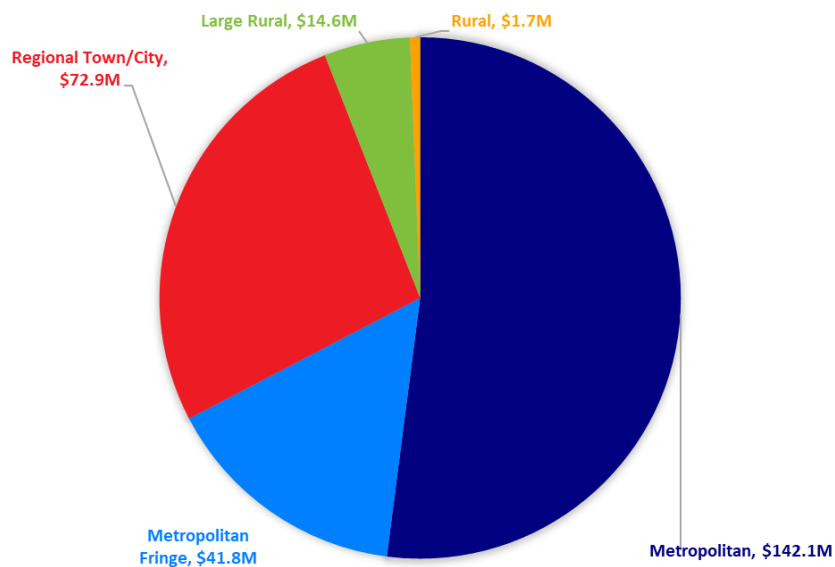
The total amount of rate exemptions represented \$273.1 million, shifting approximately \$89.04 to each NSW ratepayer.



**Figure 18 Rate exemptions by category**



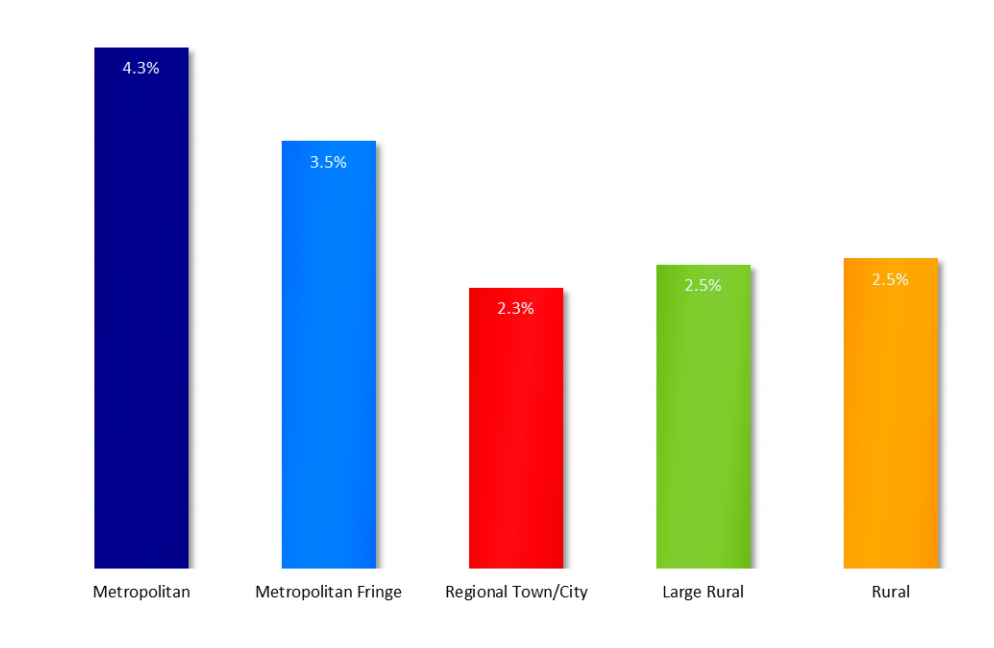
**Figure 19 Rate exemptions by council classification**







**Figure 20 Average rate exemption for respondent councils as a proportion of rates revenue by council classification**



**Figure 21 Respondent councils with the highest rate exemptions as a proportion of rates revenue**

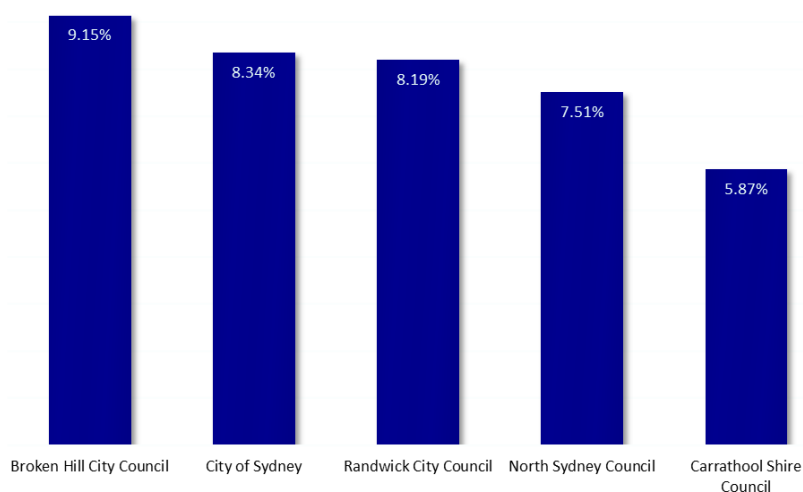




Table 1 Cost for rate exemptions

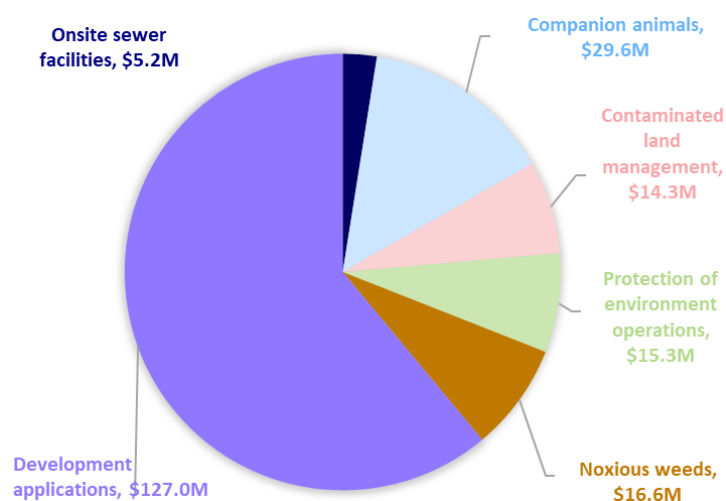
Rate exemption	Number of councils who responded to this question in the survey with a figure	Total amount of cost shift provided	Estimated total cost shift for all NSW Councils (based on population)
Government-owned property	62 (from which two councils put a figure of 0)	\$95.5M	\$151M
Non-government-owned property	61 (from which one council put a figure of 0)	\$72M	\$115M
Voluntary conservation agreements	47 (from which ten councils put a figure of 0)	\$1.2M	\$1.9M
Community housing	53 (from which 11 councils put a figure of 0)	\$3.3M	\$5.2M

### 3.4 Regulatory functions

In addition to the obligations under the *Rural Fire Services Act 1997*, *Fire and Rescue NSW Act 1989* and the *State Emergency Service Act 1989*, councils incur additional costs of increased regulatory responsibilities. These are additional functions or requirements that are not fully funded by increases in fees and charges.

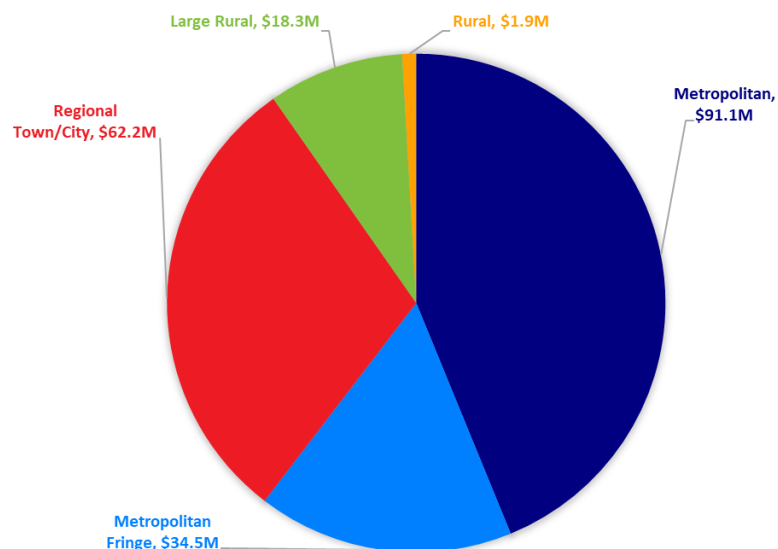
In 2021–22, the unfunded costs for regulatory functions represented \$208.0 million.

Figure 22 Unfunded regulatory costs by category

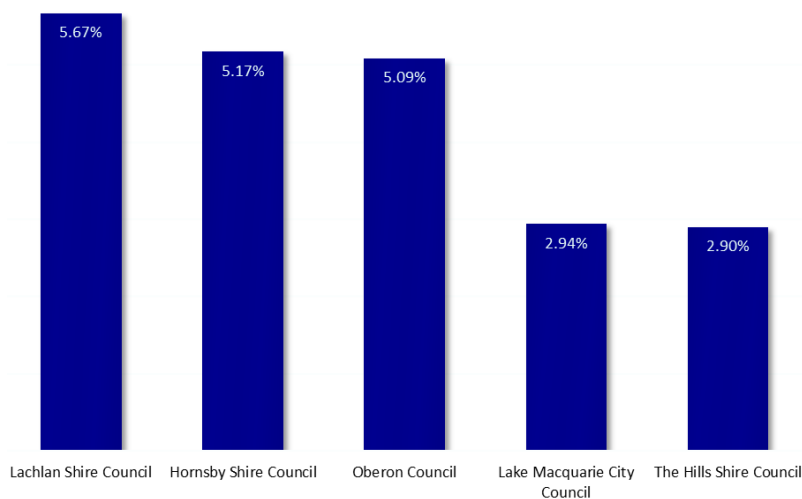




**Figure 23 Unfunded regulatory costs by council classification**



**Figure 24 Respondent councils with the largest regulatory cost as a proportion of total operating expenditure**



The function and total estimated costs from councils are outlined in the table below.

**Table 2 Cost for increased regulatory functions that cannot be recovered through fees and charges**

Regulatory function	Number of councils who responded to this question in the survey with a figure	Total amount of cost shift provided	Estimated total cost shift for all NSW Councils (based on population)
Onsite sewer facilities	35 (from which 15 councils put a figure of 0)	\$3.4M	\$5.2M
Companion animals	69 (from which four councils put a figure of 0)	\$19.6M	\$29.6M
Contaminated land management	45 (from which nine councils put a figure of 0)	\$7.2M	\$14.3M
Protection of environment operations	48 (from which four councils put a figure of 0 and one a negative amount)	\$9.9M	\$15.3M
Noxious weeds	64 (from which eight councils put a figure of 0)	\$11.1M	\$16.6M
Development applications	64 (from which five councils put a figure of 0 and one a negative amount)	\$86.7M	\$127.0M

### 3.5 Funding programs

Councils are occasionally required to fund the continuation of several funding programs that were instigated by the NSW Government, but for which funding commitments have, over time, either been reduced or removed entirely. The three main funding programs councils currently continue to fund are:

- Library subsidies: the original library funding subsidy was 50 per cent of the library services costs, however this has reduced over time. In 2021–22, councils paid an estimated \$156.7 million on library services that would have been covered by the originally committed 50 per cent State government subsidy.
- Flood mitigation: the program was originally established with the State and Federal governments providing 80 per cent of the costs and councils funding 20 per cent, the shortfall of this funding is estimated to be costing councils \$18.2 million in 2021–22.
- Road safety program: funding for programs and ongoing staff for education, however councils were not able to reduce the costs with the removal of the funding program. In 2021–22, councils have an estimated cost burden of \$6.4 million as result.

The total cost to council to continue to meet the funding shortfall of these programs was \$181.3 million, the vast majority which was the shortfall in the library subsidy of \$156.7 million.



Figure 25 Funding program costs shifted by category

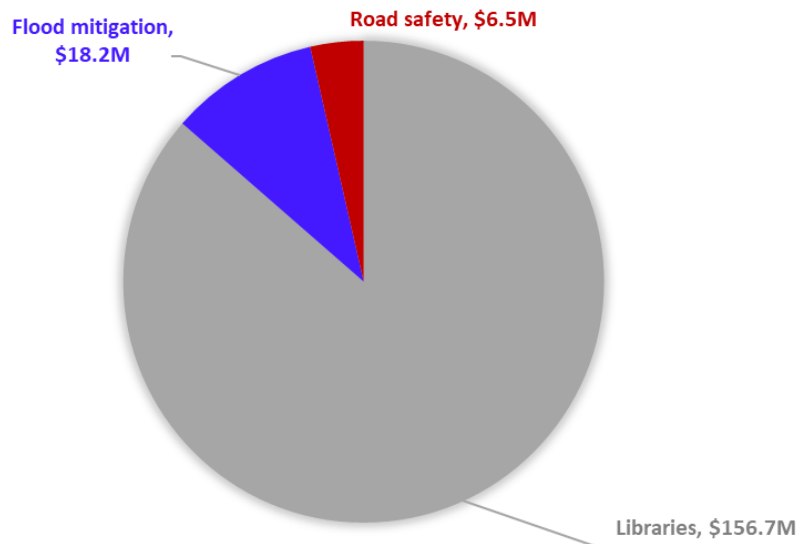
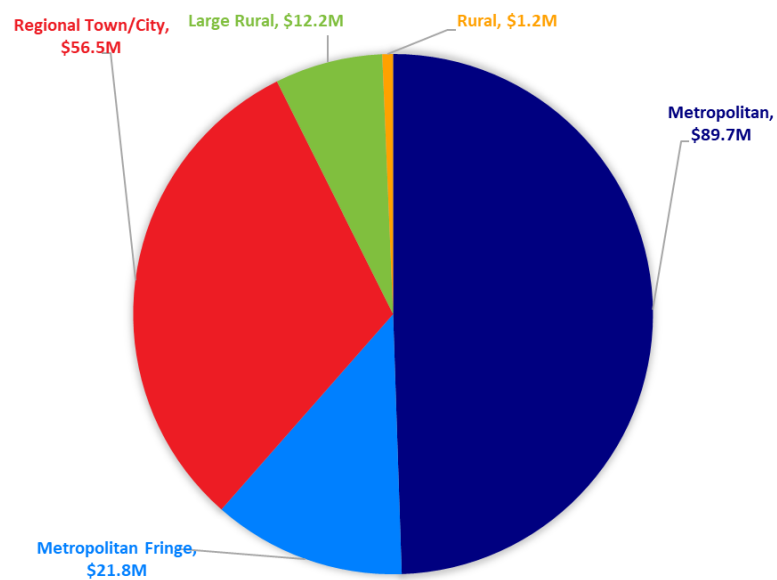
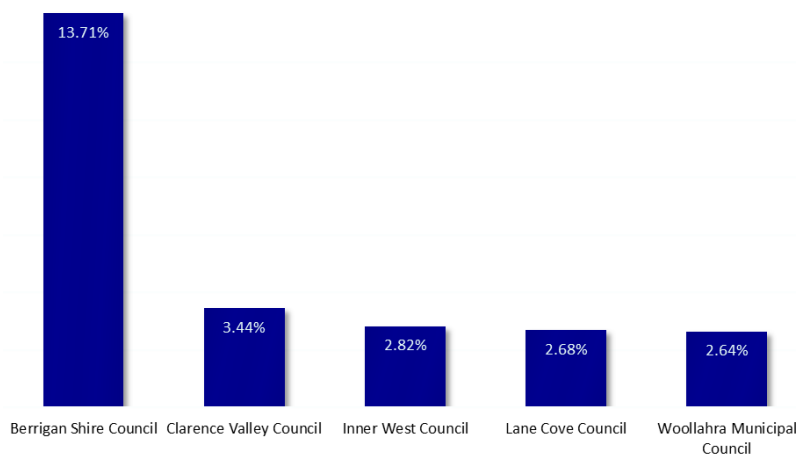


Figure 26 Funding program costs shifted by council classification





**Figure 27 Respondent councils with the largest funding program costs shifted as a proportion of total operating expenditure**



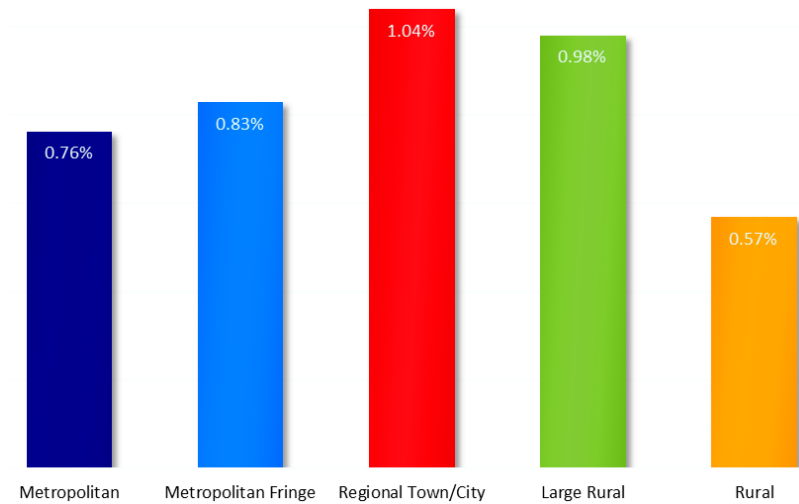
### 3.6 Pensioner rebates

Councils are required to provide rates rebates to pensioners, which are partially subsidised by the NSW Government. This mandatory pensioner rebate is an estimated net cost to councils of \$55.2 million. This does not include the cost of administering the mandatory pensioner rebates, as each pensioner claim needs to be registered and their details checked by the council.

The level of mandatory rebate has not risen substantially over many years, and therefore has not kept pace with inflation. As a result, many councils have elected to apply further voluntary rebates to ease the financial burden on pensioners. NSW councils incur an additional \$17.2 million in voluntary pensioner rebates. The total cost of pensioner rebates is estimated to be \$72.4 million.



**Figure 28 Average total pensioner rebates as a proportion of total rates revenue by council classification**



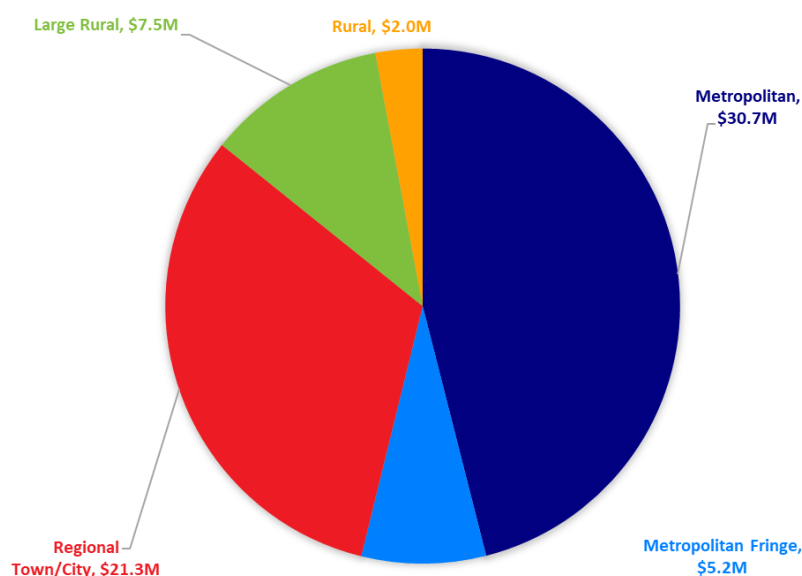




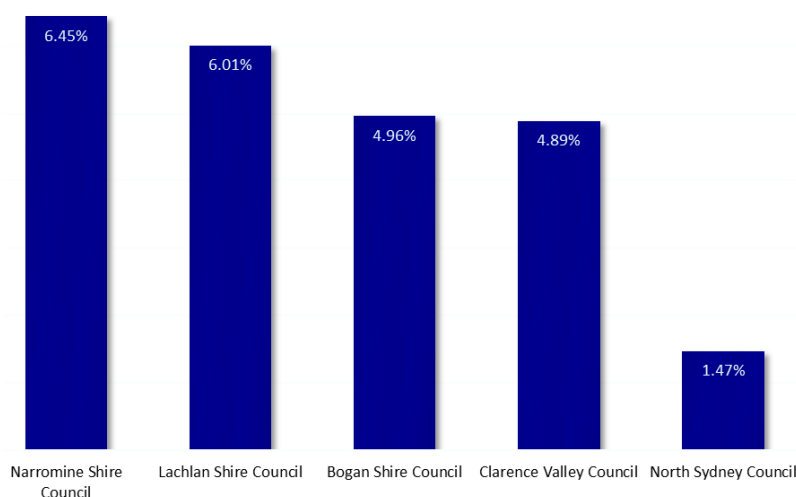
### 3.7 Service gaps

This section captures costs incurred by councils in providing services as a result of insufficient service provision by another level of government or a market failure of a subsidised or privatised public service. In 2021–22, it is estimated that councils spent \$66.6 million on filling these gaps.

**Figure 29 Service gap costs by council classification**



**Figure 30 Respondent councils with the highest service gap cost as a proportion of total operating expenditure**





The estimated costs are set out in Table 3, below.

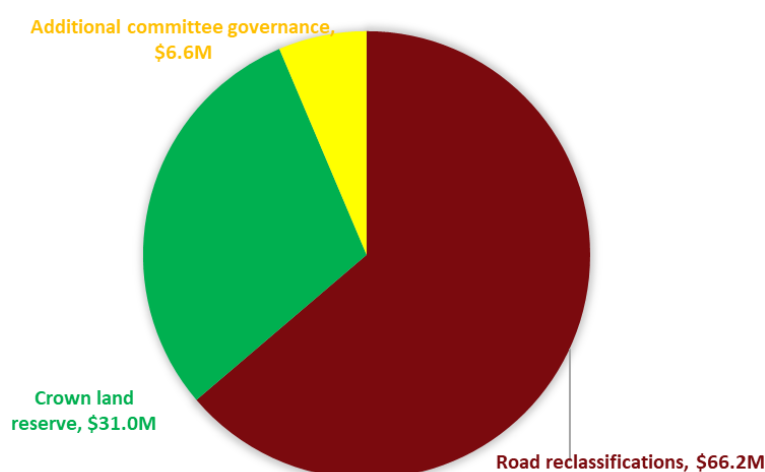
**Table 3 Cost for services provided by Council as a result of a State or Federal service gap or market failure**

Regulatory function	Number of councils who responded to this question in the survey with a figure	Total amount of cost shift provided	Estimated total cost shift for all NSW Councils (based on population)
Immigration and citizenship ceremonies	60 (from which ten councils put a figure of 0)	\$1.1M	\$1.6M
Crime prevention and policing	51 (from which 11 councils put a figure of 0)	\$10.2M	\$16.2M
Medical services	33 (from which 15 councils put a figure of 0)	\$2.2M	\$3.2M
Aged care services	36 (from which 19 councils put a figure of 0)	\$3.9M	\$5.6M
Disability care services	28 (from which 17 councils put a figure of 0)	\$1.4M	\$2.2M
Childcare services	49 (from which 19 councils put a figure of 0 and two councils a negative figure)	\$12.0M	\$17.8M
Transport services	37 (from which 20 councils put a figure of 0)	\$14.1M	\$20.5M

### 3.8 Other cost shifts

A number of other areas for cost shifting were identified and gathered in the survey and are outlined here.

**Figure 31 Other cost shifts by category**





Under the Transport for NSW (formerly RMS) road reclassification program in the 1990s, many roads were reclassified as local or regional road for councils to own and maintain. Of the 68 councils that responded to the survey, 32 were able to estimate the cost of this reclassification, 12 were not able to reliably estimate, and 24 stated that it was not applicable. The total estimate of costs provided by councils was \$26.7 million in 2021–22.

Under the Crown Lands Act 1989, councils have full responsibility to maintain crown reserves under council management and are expected to subsidise shortfalls in maintenance cost from general revenue. This is considered appropriate as the benefits from crown reserves under council management generally accrue to the local community. However, as a result, councils should also be entitled to any current or potential revenue from crown reserves that is required to cover maintenance and improvement cost (e.g., revenue from refreshment facilities, telecommunication facilities). The NSW Government will on occasion take over allowable revenue raising activities on council managed crown reserve land (not including national parks) or will require councils to transfer revenue from council managed crown reserve land to the State Government.

Of the 68 councils surveyed, 22 estimated the lost revenue at \$14.8 million in 2021–22. A further 27 councils were not able to reliably estimate the costs and 19 councils advised that this item didn't apply to them. This estimate does not represent the total net cost of managing (maintaining) crown lands. Nor does it include in transfers associated with the caravan park levy. Only any action by the State Government to limit revenue raising capacity or require the transfer revenue to the State Government has been considered cost shifting.

### 3.9 Future survey considerations

We asked councils what other areas that should be considered for future surveys. The key areas that respondents identified as costs to be captured in future surveys included:

- Monopoly services costs:
  - NSW Audit Office being the monopoly on local government external audits.
  - NSW Electoral Commission holding a near monopoly on council election administration.
- Cost of Joint Regional Planning Panels (JRPPs) requirement to access councils DAs as per mandated policy.
- Costs of mandatory On-Line Planning Portal – Implementation and ongoing operational costs.
- The Sydney Regional Development Fund Levy.
- Costs associated with Forestry NSW and impact of logging on council owned infrastructure. Rates foregone on State Forest land.
- Capturing the additional cost of Emergency Services administration staff.
- Heritage advisor costs, whilst there is some grant funding towards this it still needs to be administered by council who hand out the grant funds and do general administration.
- Cost involved in Special Variations applications given that councils have to undertake this process to recover costs shifted. This is a lengthy and resource intensive process, which is particularly challenging for smaller councils.
- Net cost of Street Lighting (Less subsidy from Transport for NSW).



- Cost of ongoing maintenance associated with the Community Water Bore program from early 2000s (the program was in conjunction with NSW Office of Water).
- Cost of management of overabundant native species doing damage to infrastructure. This is a NSW government function which is not being undertaken by the State and therefore some councils are doing it.
- Crown Land right to native title compensation (falling to Councils instead of the State).
- Any costs imposed by Service NSW (e.g., disability parking).
- Costs of sharing of facilities especially with Department of Education (schools, parks, playgrounds etc).
- Costs of maintaining State facilities that are located on Crown land.
- Provision of stormwater trunk drainage.

These additional items will need to be validated in terms of the details of what is entailed and whether they are indeed cost shifts before inclusion in any future survey.

We also recommend that some items in the current survey be considered for exclusion in future survey on the basis that they are onerous for councils to quantify and do not materially contribute to the total estimated cost shift for councils, nor are they expected to increase over time. The following items should be reviewed for exclusion:

- Road safety program (Q7) – (0.5% of total cost shift estimate).
- Onsite sewer facilities (Q10) – (0.4% of total cost shift estimate).
- Immigration and citizenship services (Q16) – (0.1% of total cost shift estimate).
- Waste management license fee (Q29) – (0.03% of total cost shift estimate).



## 4 About the survey

This section outlines the methodology employed to develop and administer the 2021–22 cost shifting survey.

### 4.1 Development of the survey

The last cost shifting survey of NSW councils was undertaken with 2015–16 financial data. We have used this last survey as the starting point for the 2021–22 Cost Shifting Survey questions. We undertook a review of the previous questionnaire guided by the following guiding principles:

- Ensure that questions are still relevant.
- Where possible maintain questions so that there can be direct year on year comparisons if required.
- Ensure that interpretation of questions is understood and consistent across all councils.
- Identify new areas of cost shifting where required.

An initial review of questions was undertaken by the project team, consisting of Morrison Low and LG NSW staff. We also established a working group that included representatives of senior leaders and financial staff of a cross section of rural, regional, and metropolitan councils. The working group undertook a review of the questions and provided their feedback through a facilitated workshop and feedback gathering tool. We also asked two leading local government academics to provide their feedback through email and one on one meetings on the questionnaire and our approach to understanding cost shifting in local government.

### 4.2 Conducting the survey

The final survey was provided in a Microsoft Excel format to councils on 17 April 2023 along with a request of councils' 2021–22 Financial Data Return (FDR), which contained council's audited financial Statement information. The FDR was used to gather a small amount of cost shifting information, but predominantly for data validation purposes.

### 4.3 Responses to the survey

Councils were asked to return their survey responses and FDRs by 8 May 2023. Some councils requested extensions to this date, which were granted up to 19 May 2023. A total of 75 out of 128 councils provided completed surveys (a 58.6% response rate), although not all answers were completed by all responding councils. Only 72 councils provided their FDRs, as three councils were still finalising their 2021–22 financial Statements at the time of survey completion date.

### 4.4 Data validation and analysis

Data validation included review of outliers both in total terms as well as a proportion of the council's proportion of total operating expenditure. Where possible, we also compared survey responses with councils FDR data returns to understand if there may have been discrepancies or misinterpretations of questions. This



required us to seek further information and validation with some councils on their responses to some questions.

We also utilised State Government financial reports for the Emergency Services agencies to validate to estimate of the ESL against the contributions that these agencies reported in their financial Statements.

For most questions, we have used population as the basis for estimating the total cost shift to all NSW councils for the survey data received. For some we were able to directly estimate through published reports. For example, we used the State Library's 2021–22 report on local council libraries with included operating costs and subsidies received. For other questions, such as the waste levy, where it is not relevant to all councils and there are different levels of the levy between metropolitan and regional councils, we used populations within the relevant and group councils as a basis for estimating the total cost of the waste levy.

**11.13 INCREASE IN ROAD FUNDING****File Number:** S15.8.23/16 / 23/40644**Author:** Paul Pay, Director Corporate and Economic Services**SUMMARY:**

On Sunday 19 November, 2023 the Federal Government announced increases in federally sponsored road funding.

**COMMENTARY:**

On Sunday 19 November, 2023 a joint press release from the Hon Kristy McBain MP, Minister for Regional Development, Local Government and Territories, the Hon Carol Brown, Assistant Minister for Infrastructure and Transport and the Hon Anthony Chisholm, Assistant Minister for Regional Development announced an increase to federally sponsored road funding.

Hon Kristy McBain MP media release noted the following:

“The Federal Government is strengthening its commitment to road safety with significant increases in funding and changes to programs to reduce the administrative burden on local councils. The Government recognises that local governments require more funding to manage the rising costs and increased pressure on transport infrastructure due to climate change and extreme weather events.

Roads to Recovery funding will rise gradually from \$500M to \$1B per year, and Black Spot funding will increase from the current annual commitment of \$110M to \$150M per year. This additional investment in the Commonwealth’s two cornerstone local roads investment programs will lead to safer and more productive roads across Australia.

The Federal Government will also merge the Heavy Vehicle Safety and Productivity Program (HVSPP) and the Bridges Renewal Program (BRP) into a new Safer Local Roads and Infrastructure Program. The amount of funding for the new program will also gradually increase from \$150M (total annual investment in the HVSPP and the BRP) to \$200M.

The changes have been recommended by the Independent Strategic Review of the Infrastructure Investment Program and the increases in funding will be phased in over the forward estimates to avoid putting pressure on inflation, supply costs and the construction labour market.”

Further reports will be provided to Council once more information is made available.

**ATTACHMENTS:****Nil**



<b>11.14 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENT CERTIFICATES DURING NOVEMBER 2023</b>
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**File Number:** S18.10.2/16 / 23/40658

**Author:** Robyn Waters, 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 November 2023.

**DEVELOPMENT APPROVALS, REFUSALS AND VARIATIONS DURING NOVEMBER 2023**

**Development Approvals**

<b><u>Development Application Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Development</u></b>	<b><u>\$ Amount</u></b>
DA-89/2023	Barry Francis Rodgers	2000 Emmaville Road, ASHFORD 2361	Installation of a Dining/General Purpose Room	50,000
DA-94/2023	Active Construction Group Pty Ltd	875 Old Stannifer Road, GILGAI 2360	Manufactured home	692,480
DA-96/2023	Bindaree Food Group	7307 Gwydir Highway, INVERELL 2360	Livestock Processing Facility - Render plant with environmental improvements	26,000,000
DA-106/2023	Ruralcert Pty Ltd	1-3 Oliver Street, INVERELL 2360	Alterations and Additions to Existing Vehicle Sales Premises - Amenities Block	25,000
DA-107/2023	TBN Construct Pty Ltd	52 Kookaburra Lane, INVERELL 2360	Subdivision - 1 Lot into 3 lots	NIL
DA-120/2023	Ruralcert Pty Ltd	144 Roscræ Lane, INVERELL 2360	New dwelling and swimming pool	1,000,000
DA-122/2023	Mr Paul Andrew Pay	17 Terry Drive, INVERELL 2360	Semi-Detached Dwellings (Duplex) and Subdivision	680,476
DA-123/2023	Abode Building Design	58 Mather Street, INVERELL 2360	Semi-Detached Dwellings & Subdivision	516,780
DA-125/2023	Ruralplan Consultants	518 Yetman Road, INVERELL 2360	Construction of Dwelling (Stage 2) resulting in Detached Dual Occupancy, In-	700,000

			Ground Swimming Pool, Retaining Walls & Landscaping	
DA-127/2023	Tutt Construction Pty	78 Fullers Lane, INVERELL 2360	Carport	9,800
DA-129/2023	The Donnelly Bell Family Trust and The S&E Doodson	50 Lewin Street, INVERELL 2360	Subdivision - 1 Lot into 2 Lots	NIL
DA-130/2023	Ruralcert Pty Ltd	2540 Elsmore Road, NEWSTEAD 2360	Dwelling and carport	1,068,000
DA-131/2023	Department of Education and Training	100 Swanbrook Road, INVERELL 2360	New Sign	15,000
DA-132/2023	Abode Building Design	1 Burgess Street, INVERELL 2360	Centre-Based Child Care Facility	687,500
DA-133/2023	Abode Building Design	3 Parkland Close, INVERELL 2360	Dwelling	417,450
DA-137/2023	Mr Jonathon Samuel Elphick	1640 Copeton Dam Road, GUM FLAT 2360	Shed	30,000
DA-140/2023	Abode Building Design	48 Loxton Road, INVERELL 2360	Shed	44,000
DA-141/2023	Abode Building Design	3382 Gwydir Highway, SWAN VALE 2370	Shed	55,000
DA-142/2023	Precise Designs	87 Granville Street, INVERELL 2360	Shed	24,000
DA-143/202	Abode Building Design	1380 Elsmore Road, ELSMORE 2360	Dwelling	330,000
DA-144/2023	Abode Building Design	23 Rifle Range Road, INVERELL 2360	Additions and alterations	160,820
DA-145/2023	Abode Building Design	24 Sylvan Drive, INVERELL 2360	Dwelling	980,320
DA-146/2023	Mr Jason Keith Bay Nichols	43 Chester Street, INVERELL 2360	Pool	12,000

DA-148/2023	Mrs Elaine Suzanne Kenny	42 George Street, INVERELL 2360	Demolition of existing carport to be replaced with new carport	38,000
DA-149/2023	Abode Building Design	490 Rifle Range Road, INVERELL 2360	Pool	33,000
DA-151/2023	Abode Building Design	32 Brae Street, INVERELL 2360	Shed	19,800
DA-154/2023	Precise Designs	180 Turrawarra Road, LITTLE PLAIN 2360	Shed	215,000
<b>Monthly estimated value of Approvals: November 2023</b>			<b>27</b>	<b>33,804,426</b>

**Development Amendments**

<b><u>Development Application Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Development</u></b>	<b><u>\$ Amount</u></b>
DA-138/2021/A	John Green Pty Ltd	79 Mather Street, INVERELL 2360	Attached Duplex and Subdivision	NIL
DA-166/2022/A	Mr Niall Daniel Webb	3 Sylvan Drive, INVERELL 2360	Shed	NIL
<b>Monthly estimated value of Approvals: November 2023</b>			<b>2</b>	<b>NIL</b>

**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 November 2023.

**INFORMATION:**

Nil

**CONSTRUCTION CERTIFICATES APPROVED AND AMENDED DURING NOVEMBER 2023****Construction Certificates approved by Council**

<b><u>Construction Certificate Number</u></b>	<b><u>Applicant</u></b>	<b><u>Property</u></b>	<b><u>Construction</u></b>	<b><u>\$ Amount</u></b>
CC-117/2022	Abode Building Design	172 Ashford Road, INVERELL 2360	Construction of a 12m x 12m extension to the existing truck shelter	55,000
CC-65/2023	Abode Building Design	15 Terry Drive, INVERELL 2360	Duplex with proposed subdivision	591,642
CC-86/2023	Mr John David Williams	74 Lawrence Street, INVERELL 2360	Alterations and additions to existing building	352,000
CC-93/2023	Abode Building Design	14 Colin Street, INVERELL 2360	Demolition of existing shed and construction of new shed	33,000
CC-101/2023	Tutt Construction Pty	78 Fullers Lane, INVERELL 2360	Carport	9,800
CC-103/2023	Abode Building Design	643 Silvermines Road, ELSMORE 2360	Additions and alterations	165,000
CC-104/2023	Abode Building Design	10C Swanbrook Road, INVERELL 2360	Construction of a new 24m x 12m Steel frame shed	165,000
CC-107/2023	Abode Building Design	2966 Bundarra Road, GILGAI 2360	Dwelling	413,875
CC-108/2023	Inverell Shire Council	55 Burtenshaw Road, INVERELL 2360	Carpark and civil works for Companion Animal Impounding Facility	50,000
CC-109/2023	Abode Building Design	3 Parkland Close, INVERELL 2360	Dwelling	417,450
CC-111/2023	Mrs Nancy Lynn McPherson	352 Swanbrook Road, INVERELL 2360	Shed	55,999
CC-113/2023	Abode Building Design	25 Warana Drive, INVERELL 2360	Alterations and additions	99,000

CC-115/2023	Abode Building Design	3382 Gwydir Highway, SWAN VALE 2370	Shed	55,000
CC-117/2023	Ruralcert Pty Ltd	144 Roscrae Lane, INVERELL 2360	Dwelling	1,000,000
CC-118/2023	Abode Building Design	48 Loxton Road, INVERELL 2360	Shed	44,000
CC-120/2023	Precise Designs	87 Granville Street, INVERELL 2360	Shed	24,000
CC-122/2023	Abode Building Design	77 Mather Street, INVERELL 2360	Shed	19,800
CC-129/2023	Abode Building Design	490 Rifle Range Road, INVERELL 2360	Pool	33,000
<b>Monthly estimated value of Approvals: November 2023</b>			<b>18</b>	<b>3,583,566</b>

**Amended Construction Certificates approved by Council**

Nil

**Construction Certificates approved by Private Certifier**

Nil

**Amended Construction Certificates approved by Private Certifier**

Nil

**COMPLYING DEVELOPMENT CERTIFICATES APPROVED AND AMENDED DURING NOVEMBER 2023****Complying Development Certificates Approved by Council**

Nil

**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

**TOTAL BUILDING CONSTRUCTION FOR INVERELL SHIRE DURING NOVEMBER 2023:**

<b>Type of Consent</b>	<b><u>No.</u></b>	<b><u>\$ Amount</u></b>
Construction Certificates – Council Approved	<b>18</b>	<b>3,583,566</b>
Construction Certificates – Private Certifier	<b>NIL</b>	<b>NIL</b>
Complying Development – Council Approved	<b>NIL</b>	<b>NIL</b>
Complying Development – Private Certifier	<b>NIL</b>	<b>NIL</b>
<b>TOTALS</b>	<b>18</b>	<b>3,583,566</b>

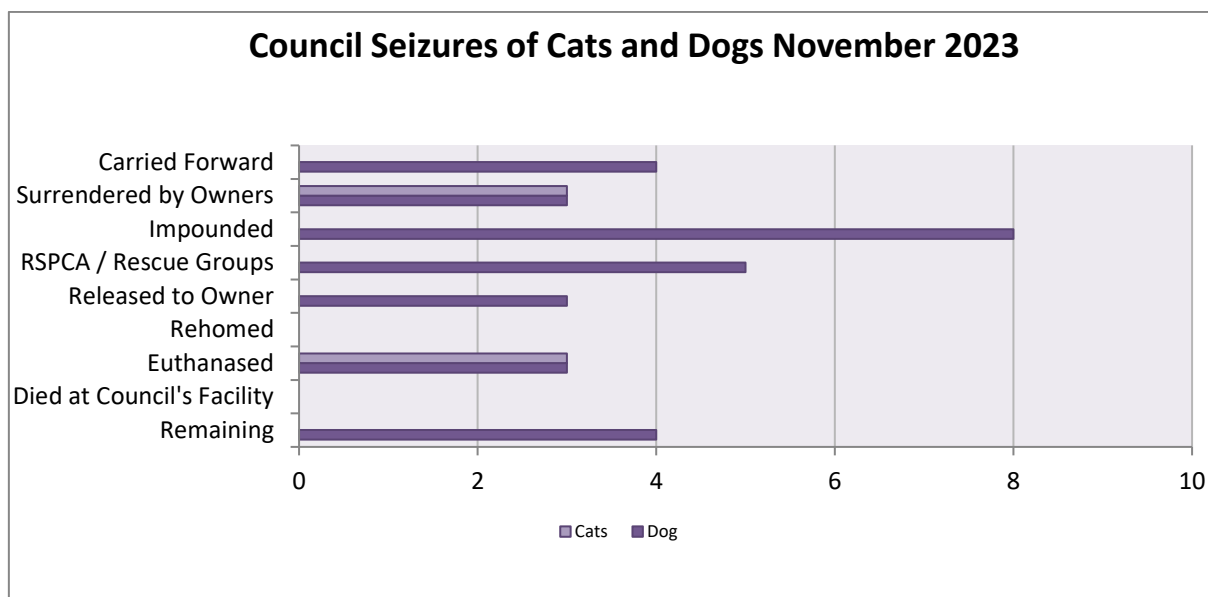
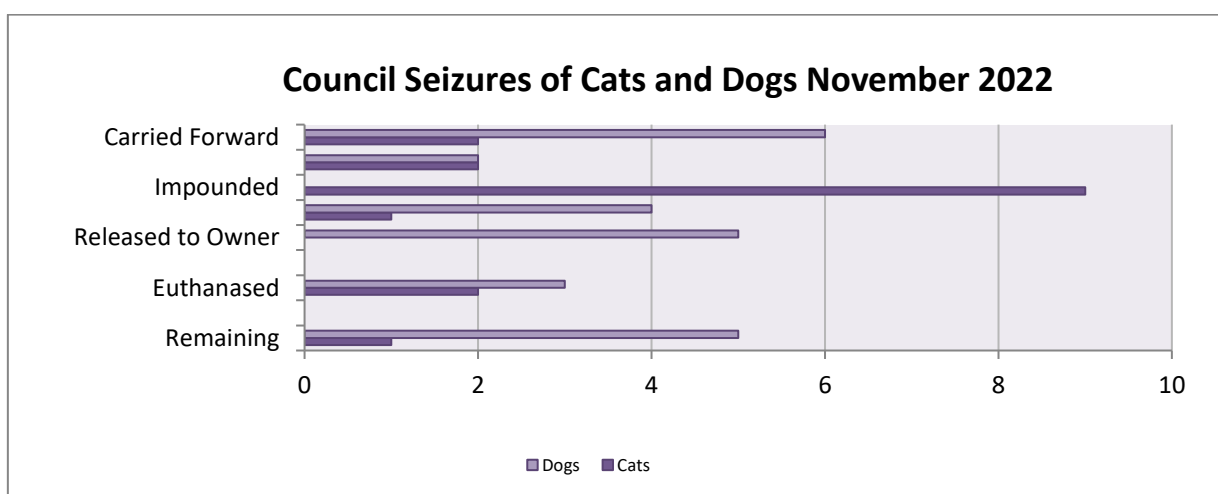
Estimated Value of Approvals issued in the financial ytd in: **2023/2024**    **(51)**    **\$9,596,106**  
**2022/2023**    **(66)**    **\$12,102,607**

Attachments:

**Nil**

**11.15 ORDINANCE ACTIVITIES REPORT FOR NOVEMBER 2023****File Number:** S18.10.1 / 23/40737**Author:** Robyn Waters, Administration Officer**SUMMARY:**

The following details the number of various Ordinance activities carried out during November 2023, in comparison to the same month in 2022.

**INFORMATION:****COMPLIANCE****Inverell Shire Council Pound Monthly Report November 2023****Inverell Shire Council Pound Monthly Report November 2022****ATTACHMENTS:****Nil**

**11.16 EMERGENCY SERVICES LEVY****File Number:** S12.13.1 / 23/40860**Author:** Paul Pay, Director Corporate and Economic Services**SUMMARY:**

On Thursday 16 November 2023, Premier Chris Minns announced proposed reforms that will overhaul state-wide funding for the State Emergency Service.

**COMMENTARY:**

The NSW Emergency Services Levy will be cut from insurance premiums as part of a reform plan announced by the Premier, Chris Minns to fix the “unsustainable” scheme. The change would lower the cost of insurance premiums which the government hopes would encourage more people to insure their homes in the face of greater fire and flood threats. Currently more than 20% of home owners are un-insured.

Under the plan, the NSW Government will consult with stakeholders and experts in the industry to introduce a state-wide contribution to fund emergency services, recognising that natural disasters affected everyone in NSW. There were no more details provided during the announcement.

According to government modelling, the levy is estimated to increase the cost of household insurance by more than 18% on average and adds on average 30% to commercial premiums.

Currently, policyholders pay almost three-quarters of the levy, local councils pay 11.7% and the state government contributes 14.6%. At this stage it is unknown if the proposed reforms will remove Councils 11.7% contribution. Inverell Shire Council's 2023/2024 Contribution is \$574,272. Any reduction in ESL contributions may also be offset by a lower rate peg percentage, effectively making any reduction cost neutral to Council.

Councillors may recall that the former NSW Premier Gladys Berejiklian tried to reform the levy more than five years ago with a proposed levy on Councils rate notices. The proposal was scrapped at the eleventh hour after Councils had spent considerable resources updating financial systems to accommodate the new levy.

A further report will be presented to the Economic and Community Sustainability Committee when more information becomes available.

**ATTACHMENTS:****Nil**



**11.17 COMMUNITY RECOGNITION STATEMENT - INVERELL VINTAGE FARMALL TRACTOR PARADE**

**File Number:** S3.16.18 / 23/40915

**Author:** Brett McInnes, General Manager

**SUMMARY:**

Correspondence has been received from the Member for Northern Tablelands regarding the recent Vintage Farmall Tractor Parade event held in Inverell. The report is for the information of Council.

**COMMENTARY:**

Council is in receipt of correspondence from the Hon Adam Marshall MP, Member for Northern Tablelands enclosing a copy of a Community Recognition Statement he had the pleasure of delivering in the NSW Legislative Assembly recently regarding the Vintage Farmall Tractor Parade event.

In his correspondence, Mr Marshall said “it was a real honour to have the opportunity to share with my parliamentary colleagues details of the Inverell Shire Council members involvement in the Inverell Vintage Farmall Tractor Parade event”.

The Farmall Tractor Parade event, which was held on 28 – 29 July 2023, provided great exposure for Inverell and was very well received by the local community and many visitors.

A copy of the Community Recognition Statement and Council’s response to Mr Marshall is attached for the information of Council.

**ATTACHMENTS:**

1. Community Recognition Statement - Inverell Vintage Farmall Tractor Parade [↓](#)
2. Response to Mr Marshall - Farmall Event [↓](#)



**Community Recognition Statement  
Legislative Assembly of NSW**

**INVERELL VINTAGE FARMALL TRACTOR PARADE**

I recognise the wonderful achievements of the Inverell Community, Inverell Council and the local Business Chamber for staging a Vintage Tractor Parade as part of centenary celebrations in the New England Region, resulting in a new Guinness World Record. The parade consisted of about 110 Farmall Tractors, which lined 3.2km around the trotting track of the Inverell Showground.

I congratulate the greater Inverell Community and all those who assisted throughout the event, grounds, facilities and catering. Events such as this in regional towns, cannot function without the wonderful support and commitment that these volunteers give.

I thank all those involved who supported the event, with special thanks to Inverell resident Tom Horwood for his contribution of vintage tractors, along with tractor enthusiasts and everyone who went above and beyond to make the event a success.

A handwritten signature in blue ink that reads 'Adam Marshall'.

**HON. ADAM MARSHALL MP**  
Member for Northern Tablelands  
11 October 2023



[www.inverell.nsw.gov.au](http://www.inverell.nsw.gov.au)

Our Reference: S3.16.18

6 December 2023

The Hon Adam Marshall MP  
Member for Northern Tablelands  
PO Box 77  
ARMIDALE NSW 2350  
By Email: [northerntablelands@parliament.nsw.gov.au](mailto:northerntablelands@parliament.nsw.gov.au)

Dear Mr Marshall

**COMMUNITY RECOGNITION STATEMENT – INVERELL VINTAGE FARMALL  
TRACTOR PARADE**

I refer to your correspondence received by Council on the 22 November 2023 regarding the subject matter.

Thank you for advising of your delivery of the Community Recognition Statement for this memorable event.

The Farmall Centenary Celebrations certainly provided great exposure for Inverell and was very well received by the local community and many visitors. Your actions in recognising the efforts of those who made the event happen is greatly appreciated.

It is my intention to prepare a report to the December meeting of Council to formally advise of the Community Recognition Statement.

Yours faithfully  


BRETT MCINNES

GENERAL MANAGER

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Administration Centre, 144 Otho Street (PO Box 138), Inverell NSW 2360  
Ph: 02 6728 8288 Fax: 02 6728 8277 DX 6159  
[council@inverell.nsw.gov.au](mailto:council@inverell.nsw.gov.au)

## 12 GOVERNANCE REPORTS

### 12.1 ARIC MEMBERSHIP

**File Number:** S4.11.21 / 23/40720

**Author:** Paul Pay, Director Corporate and Economic Services

#### **SUMMARY:**

The membership of three Audit Risk and Improvement Committee members is due to expire by 31 December, 2024. Council is asked to commence the recruitment of a new Chair in accordance with the recently adopted Risk Management and Internal Audit for Local Government in NSW Guidelines (November 2023).

#### **RECOMMENDATION:**

*That Council:*

- i. Commence recruitment for a new independent chair of the Audit Risk and Improvement Committee in accordance with the new Risk Management and Internal Audit for Local Government in NSW Guidelines (November 2023);*
- ii. Upon the appointment of a new chair, Mr Phil Schwenke be appointed as independent member until December 2024; and*
- iii. Appoint a non-voting councillor member from September 2024 following the Local Government Elections.*

#### **COMMENTARY:**

The membership of three (3) Audit Risk and Improvement Committee members is due to expire on 31 December, 2024. Council is asked to commence the recruitment of a new Chair in accordance with the recently adopted Risk Management and Internal Audit for Local Government in NSW Guidelines (November 2023).

A copy of the new guidelines has been provided under separate cover. A copy can also be downloaded at: <https://www.olg.nsw.gov.au/wp-content/uploads/2023/12/Guidelines-for-Risk-Management-and-Internal-Audit-updated-November-2023.pdf>

Members with expiring terms include:

- Mr Phil Schwenke  
Independent Member and Chair, commenced July 2018 and his appointment extended a further two (2) years to December 2024 at Council April 2022 Council meeting.
- Mr Les Hullick  
Independent Member, commenced December 2020 and terminates in December 2024.
- Mrs Nicky Lavender
  - Independent Member, commenced July 2018 – Resigned September 2021.
  - Council Representative, commenced January 2022, due to terminate September 2024.

*Council set member honorariums as follows:*

- a) *Chair - \$1,500 (plus GST if applicable) per meeting, plus reimburse travel expenses at cost; and*
- b) *Independent Member - \$750 (plus GST if applicable) per meeting, plus reimburse travel expenses at cost.*

The Risk Management and Internal Audit for Local Government in NSW Guidelines (November 2023) outlines the transitional arrangements (page 69). Councils and joint organisations with existing committees have until **1 July 2024** to ensure the membership and operations of their committee comply with the requirements in these Guidelines. To meet the requirements of the new guidelines, Council will need to recruit one additional independent member.

### **New Committee structure and membership**

Committee structure and membership is outlined in section 1 Core Requirements (pages 16-26) of the new guidelines.

#### **1. Structure**

Each council will have different Audit, Risk and Improvement Committee requirements depending on the council's size, needs, budget and the complexity of its operations.

For this reason, councils can either:

- establish an Audit, Risk and Improvement Committee for their exclusive use, or
- share their committee with another council, county council or joint organisation under section 428B of the *Local Government Act 1993*.

It is recommended that Council continues to operate its own exclusive ARIC committee.

#### **2. Size and Composition**

Each council is required to appoint an Audit, Risk and Improvement Committee that comprises of an Independent Chair and at least two Independent Members that meet the independence and eligibility criteria in these Guidelines.

At a minimum, Audit Risk and Improvement Committees must comprise of the following:

- an Independent Chair who meets the independence criteria and the eligibility criteria for committee chairs set out below, and
- at least two Independent Members who meet the independence criteria and the eligibility criteria set out below.

Councils also have the option of appointing one non-voting Councillor member to their committee who meets the eligibility criteria for councillor members of committees.

The Mayor cannot be appointed as a councillor member of a council's Audit, Risk and Improvement Committee.

#### **3. Roles of committee members**

The roles and responsibilities for the Chair, Independent Members, and Councillor members are outlined on pages 18-20 of the new guidelines.

#### **4. Independence criteria for committee chairs and independent members**

Each council must ensure that the Chair and Independent Members of the council's Audit, Risk and Improvement Committee meet the following independence criteria:

The Chair and Independent Voting Committee Members must not:

- currently be a councillor of any NSW council;
- be a non-voting representative of the board of the joint organisation;
- be a candidate at the last election of the council;
- be a person who has held office in the council during its previous term;

- be currently employed by the council or joint organisation, or been employed during the last 12 months;
- conduct audits of the council on behalf of the Audit Office of NSW;
- have a close personal or business relationship with a councillor or a person who has a senior role in the council that may lead to a real or perceived conflict of interest;
- currently, or within the last three years, provided any material goods or services (including consultancy, legal, internal audit and advisory services) to the council which directly affect subjects or issues considered by the Audit, Risk and Improvement Committee;
- be (or have a close family member who is) a substantial shareholder, owner, officer or employee of a company that has a material business, contractual relationship, direct financial interest or material indirect financial interest with the council or a related entity which could be considered a real or perceived conflict of interest; or
- currently or have previously acted as an advocate of a material interest on behalf of the council or a related entity which could be considered a real or perceived conflict of interest.

## 5. Eligibility criteria for committee chairs and independent members

### A. Independent Chair

In addition to meeting the independence requirements specified above, the chair of an Audit, Risk and Improvement committee must satisfy the following minimum eligibility criteria to be appointed as a Chair. Ideally, they will also be able to demonstrate the desirable criteria.

#### Essential criteria

Audit, Risk and Improvement Committee Chairs must demonstrate the following:

- leadership qualities and the ability to promote effective working relationships in complex organisations;
- an ability to communicate complex and sensitive assessments in a tactful manner to the head of the council's internal audit function, senior management and the mayor and councillors;
- a sound understanding of:
  - the principles of good organisational governance and capacity to understand local government accountability, including financial reporting;
  - the business of the council or the environment in which it operates
  - internal audit operations, including selection and review of the head of the council's internal audit function, and of risk management principles;
- extensive senior level experience in governance and management of complex organisations, an ability to read and understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest);
- functional knowledge in areas such as risk management, performance management, human resources management, internal and external auditing, financial reporting, accounting, management control frameworks, internal financial controls, governance (including planning, reporting and oversight), or business operations;
- a capacity to form independent judgements and a willingness to constructively challenge/question management practices and information; and

- a professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of the chair of an audit, risk and improvement committee.

**Desirable criteria**

Possession of a relevant professional qualification or membership (e.g. Institute of Internal Auditors (IIA), CPA Australia (CPA) and Chartered Accountants Australia and New Zealand (CA)) is desirable.

**B. Independent Member**

In addition to meeting the independence requirements specified above, independent members of an Audit, Risk and Improvement Committee must satisfy the following eligibility criteria to be appointed as an independent committee member. Ideally, they will also be able to demonstrate the desirable criteria.

**Essential criteria**

Independent members of Audit, Risk and Improvement Committee members must demonstrate the following:

- an ability to read and understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest);
- functional knowledge in areas such as risk management, performance management, human resources management, internal and external auditing, financial reporting, accounting, management control frameworks, internal financial controls, governance (including planning, reporting and oversight), or business operations;
- a capacity to form independent judgements and willingness to constructively challenge/question management practices and information;
- a professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of an independent member of an audit, risk and improvement committee; and
- preparedness to undertake any training on the operation of Audit, Risk and Improvement Committees recommended by the chair based on their assessment of the skills, knowledge and experience of the independent member.

**Desirable criteria**

Ideally, independent members of Audit, Risk and Improvement Committees should also meet the following criteria, but these are not essential:

- extensive senior level experience in governance and management of complex organisations; and
- possession of a relevant professional qualification or membership (e.g., Institute of Internal Auditors (IIA), CPA Australia (CPA) and Chartered Accountants Australia and New Zealand (CA)).

**Financial Knowledge**

(1) At least one member of the committee must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment. All members should have sufficient understanding of the Council's financial reporting responsibilities to be able to contribute to the committee's consideration of the Council's annual financial statements.

**Criminal records and financial status checks (Chair and Independent Members)**

Councils must undertake a criminal record and a financial status (bankruptcy) check of Audit, Risk and Improvement Committee Chairs and Independent Members before their appointment.

Audit, risk and improvement committee chairs and independent members must not be undischarged bankrupts or have been charged with or convicted of a serious criminal offence.

**C. Councillor members**

To be appointed as a non-voting Audit, Risk and Improvement Committee member a councillor must demonstrate the following:

- an ability to read and understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest);
- a good understanding of one or more of the following: risk management, performance management, human resources management, internal and external auditing, financial reporting, accounting, management control frameworks, internal financial controls, governance (including planning, reporting and oversight), or business operations;
- a capacity to form independent judgements and willingness to constructively challenge/question management practices and information;
- a professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of a councillor member of an Audit, Risk and Improvement Committee; and
- preparedness to undertake any training on the operation of Audit, Risk and Improvement Committees recommended by the chair based on their assessment of the skills, knowledge and experience of the councillor member. The Mayor cannot be appointed as a councillor member of a council's Audit, Risk and Improvement Committee.

**6. Membership terms**

Councils are to ensure that chairs and members serve the following time-limited terms to facilitate a rotation of knowledge and perspectives.

The initial term of membership on an Audit, Risk and Improvement Committee is four-years.

Audit, Risk and Improvement Committee members can be reappointed for up to one further term but the total period of continuous membership on the committee cannot exceed eight years (two terms). This includes any term as Chair of the Committee.

Care is to be taken to ensure that membership renewal dates are staggered so knowledge of the council's operations, financial reporting structure and other important aspects are not lost to the Audit, Risk and Improvement Committee when members change.

The initial term of a councillor member of an Audit, Risk and Improvement Committee is four years, coinciding with the term of the council. The councillor member can be reappointed for another term (i.e. four-years), if re-elected at the council's next ordinary election, but the total period of continuous membership on the committee cannot exceed eight years (two council terms). The councillor member is to be appointed by the governing body at the first meeting of the council after the ordinary election. The councillor member's term ends at the end of the council term.

Existing members of the Committee are asked to discuss and indicate if they are interested in serving another whole or part term, and recommend to council a suggested timetable to implement the member requirements under the new guidelines.



**Recruitment Strategy**

Members of the ARIC committee discussed the membership requirements of the new guidelines at its November 2023 meeting.

To provide some succession planning Mr Phil Schwenke has indicated a willingness to step down from the Chair's position and become an independent member until December 2024. Mr Schwenke also indicated that he may be willing to extend his appointment until June 2026 (full eight-year term) and he would decide on this mid-2024. This will allow Council to commence recruitment of a new Chair.

Mr Les Hullick indicated that due to personal circumstances that he would mostly likely resign in December 2024 upon the conclusion of his first term. Mr Hullick would confirm his position mid-year to allow Council sufficient time to recruit another independent member.

Based on the above information it is recommended that Council:

- a) Recruit a new Chair on or before June 2024;
- b) Existing Chair, Mr Phil Schwenke to become an independent member and possibly extend his appointment to June 2026 (full eight-year term);
- c) Existing Independent Member, Les Hullick to continue as an independent member until December 2024 with the possibly to extend his appointment to December 2028.
- d) Appoint a non-voting councillor member from September 2024 following the Local Government Elections.
- e) Follow up with Phil Schwenke and Les Hullick in June 2024 to ascertain their views on extending their appointments.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Councils with existing committees have until **1 July 2024** to ensure the membership and operations of their committee comply with the requirements in these Guidelines.

Council's ARIC charter will need to be updated to meet the new guidelines and to appoint a third independent member. A further report to update the Charter will be presented to the Economic and Community Sustainability Committee in February 2024.

**CHIEF FINANCIAL OFFICERS COMMENT:**

Council's ARIC budget will need to increase by approximately \$7000 (subject to amount of expenses reimbursed for travel expenses) to fund the appointment of a third independent member. These costs will be included in the preparation of the 2024/2025 budget and Long-Term Financial Plan.

**LEGAL IMPLICATIONS:**

The *Local Government Act 1993* and the Local Government (General) Regulation 2021 and Risk Management and Internal Audit for Local Government in NSW Guidelines require each council in NSW to have an Audit, Risk and Improvement Committee, a robust risk management framework, and an effective internal audit function.

**ATTACHMENTS:**

Nil

**12.2 GOVERNANCE - MONTHLY INVESTMENT REPORT****File Number:** S12.12.2 / 23/40800**Author:** Robert Kimmince, Manager Financial Services**SUMMARY:**

To report the balance of investments held as at 30 November, 2023.

**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.*

**COMMENTARY:**

Contained within this report are the following items that highlight Council's Investment Portfolio performance for the month to 30 November, 2023 and an update of the investment environment:

- (a) Council's Investments as at 30 November, 2023;
- (b) Council Investments by Fund as at 30 November, 2023;
- (c) Interest – Budgeted vs. Actual;
- (d) Investment Portfolio Performance;
- (e) Investment Commentary; and
- (f) Certification – Responsible Accounting Officer.

**A) Council Investments as at 30 November, 2023**

Term Deposit Investment Group											
Investment	Borrower	FUND	Rating	Interest Frequency	Purchase Date	Last Coupon Date	Maturity Date	Current Yield	Principal Value	Current value	Term (days)
22/15	ICBC - Industrial and Commercial Bank of China	General	A	Annually	02-Dec-21	02-Dec-22	04-Dec-23	1.36%	2,000,000	2,000,000	732
22/16	ICBC - Industrial and Commercial Bank of China	General	A	Annually	02-Dec-21	02-Dec-22	04-Dec-23	1.36%	2,000,000	2,000,000	732
22/17	ICBC - Industrial and Commercial Bank of China	Water	A	Annually	02-Dec-21	02-Dec-22	04-Dec-23	1.36%	1,000,000	1,000,000	732
23/18	Bank of Sydney	General	NR	Annually	07-Dec-22	07-Dec-22	07-Dec-23	4.60%	2,000,000	2,000,000	365
23/42	Hume Bank	General		Maturity	28-Jun-23	28-Jun-23	28-Dec-23	5.65%	2,000,000	2,000,000	183
23/35	Australian Military Bank	General		Maturity	29-May-23	29-May-23	29-Dec-23	5.05%	2,000,000	2,000,000	214
23/20	ING Bank	General	A	Annually	23-Jan-23	23-Jan-23	23-Jan-24	4.50%	1,500,000	1,500,000	365
23/25	Bank of Sydney	General	Unrated	Quarterly	24-Mar-23	06-Jul-23	24-Jan-24	4.70%	2,000,000	2,000,000	306
23/28	BoQ	General	BBB	Annually	19-Apr-23	19-Apr-23	19-Jan-24	4.70%	2,000,000	2,000,000	275
23/21	Commonwealth Bank	Sewer	AA	Annually	27-Feb-23	27-Feb-23	27-Feb-24	5.06%	2,000,000	2,000,000	365
23/36	Bendigo & Adelaide	General	BBB	Maturity	31-May-23	31-May-23	29-Feb-24	5.00%	1,500,000	1,500,000	274
22/20	MyState Bank	General	BBB	Maturity	02-Mar-22	02-Mar-22	04-Mar-24	1.70%	2,000,000	2,000,000	733
22/21	Bank of Queensland	General	BBB+	Quarterly	02-Mar-22	04-Sep-23	04-Mar-24	1.70%	1,000,000	1,000,000	733
23/22	AMP BANK	General	BBB+	Annually	20-Mar-23	20-Mar-23	20-Mar-24	4.80%	1,000,000	1,000,000	366
23/23	Bank of Sydney	Water	BBB+	Maturity	20-Mar-23	20-Mar-23	20-Mar-24	4.85%	1,500,000	1,500,000	366
21/11	ICBC - Industrial and Commercial Bank of China	Water	A	Annually	26-Mar-21	27-Mar-23	26-Mar-24	0.82%	2,000,000	2,000,000	1096
23/43	MyState Bank	General		Maturity	28-Jun-23	28-Jun-23	28-Mar-24	5.60%	2,000,000	2,000,000	274
23/30	Police Credit Union	General	Unrated	Maturity	08-May-23	08-May-23	08-May-24	4.85%	1,000,000	1,000,000	366
23/37	Suncorp	General	A+	Maturity	31-May-23	31-May-23	30-Apr-24	4.96%	2,000,000	2,000,000	335
23/29	Police Credit Union	Water	Unrated	Maturity	08-May-23	08-May-23	08-May-24	4.85%	1,000,000	1,000,000	366
23/31	AMP BANK	General	BBB+	Annually	25-May-23	25-May-23	27-May-24	5.15%	1,000,000	1,000,000	368
23/38	ING Bank	General	A	Maturity	31-May-23	31-May-23	30-May-24	5.10%	1,500,000	1,500,000	365
23/32	AMP BANK	General	BBB+	Annually	25-May-23	25-May-23	27-May-24	5.15%	1,000,000	1,000,000	368
23/39	Suncorp	Sewer	A	Maturity	07-Jun-23	07-Jun-23	07-Jun-24	5.26%	1,000,000	1,000,000	366
23/40	Australian Unity Bank	General	BBB+	Annually	20-Jun-23	20-Jun-23	20-Jun-24	5.60%	1,500,000	1,500,000	366
23/45	National Australia Bank	Water	AA-	Annually	29-Jun-23	29-Jun-23	28-Jun-24	5.45%	2,000,000	2,000,000	365
23/41	National Australia Bank	Water	AA-	Annually	28-Jun-23	28-Jun-23	28-Jun-24	5.55%	1,000,000	1,000,000	366
24/02	Bank of Sydney	General	Unrated	Annually	27-Jul-23	27-Jul-23	29-Jul-24	5.45%	2,000,000	2,000,000	368
24/01	AMP BANK	General	BBB	Annually	27-Jul-23	27-Jul-23	29-Jul-24	5.55%	2,000,000	2,000,000	368
24/04	Police Credit Union	General	Unrated	Maturity	08-Aug-23	08-Aug-23	08-Aug-24	5.35%	1,000,000	1,000,000	366
22/03	National Australia Bank	General	AA-	Annually	27-Aug-21	28-Aug-23	27-Aug-24	0.85%	2,000,000	2,000,000	1096
24/05	National Australia Bank	General	AA-	Maturity	29-Aug-23	29-Aug-23	29-Aug-24	5.24%	1,500,000	1,500,000	366
24/03	Police Credit Union	General	Unrated	Maturity	04-Aug-23	04-Aug-23	06-Aug-24	5.35%	1,000,000	1,000,000	368
24/06	National Bank Australia	General	BBB+	Maturity	07-Sep-23	07-Sep-23	09-Sep-24	5.23%	2,000,000	2,000,000	368
24/07	National Australia Bank	General	AA	Annually	13-Sep-23	13-Sep-23	13-Sep-24	5.24%	1,000,000	1,000,000	366
24/08	National Australia Bank	General	AA-	Maturity	13-Sep-23	13-Sep-23	13-Sep-24	5.24%	2,000,000	2,000,000	366
24/09	National Australia Bank	General	AA-	Maturity	13-Sep-23	13-Sep-23	13-Sep-24	5.24%	2,000,000	2,000,000	366
24/10	NAB	Water	AA-	Annually	20-Sep-23	20-Sep-23	20-Sep-24	5.30%	1,000,000	1,000,000	366
24/11	NAB	Sewer	AA-	Annually	20-Sep-23	20-Sep-23	20-Sep-24	5.30%	1,000,000	1,000,000	366
24/13	ING Bank	General	A	Annually	07-Oct-23	07-Oct-23	07-Oct-25	5.30%	2,000,000	2,000,000	731
24/14	National Australia Bank	General	AA-	Annually	06-Oct-23	06-Oct-22	08-Oct-24	5.25%	1,000,000	1,000,000	368
23/11	ING Bank	General	A	Quarterly	05-Oct-22	06-Jul-23	08-Oct-24	4.75%	2,000,000	2,000,000	734
24/12	NSB	Sewer	AA-	Quarterly	05-Oct-23	05-Oct-23	08-Oct-24	5.27%	1,500,000	1,500,000	369
24/15	Westpac Bank	General	AA-	Quarterly	19-Oct-23	19-Jul-23	21-Oct-24	5.30%	2,000,000	2,000,000	368
24/16	Westpac Bank	General	AA-	Annually	25-Oct-23	25-Oct-23	25-Oct-24	5.34%	2,000,000	2,000,000	366
24/17	Westpac Bank	General	AA-	Annually	27-Nov-23	27-Nov-23	27-Nov-24	5.47%	1,000,000	1,000,000	366
24/18	AMP BANK	General	BBB+	Maturity	27-Nov-23	27-Nov-23	27-Nov-24	5.50%	2,000,000	2,000,000	366
24/19	AMP Bank	Water	BBB	Annually	27-Nov-23	27-Nov-23	27-Nov-24	5.50%	1,000,000	1,000,000	366
24/20	Australian Unity Bank	General	BBB	Annually	27-Nov-23	27-Nov-23	27-Nov-24	5.47%	1,000,000	1,000,000	366
24/21	Auswide Bank	General	BBB	Maturity	29-Nov-23	29-Nov-23	29-Nov-24	5.67%	1,500,000	1,500,000	366
23/26	Auswide Bank	General	BBB	Monthly	24-Mar-23	24-Nov-23	24-Mar-25	4.80%	1,000,000	1,000,000	731
23/24	Auswide Bank	Water	BBB	Monthly	24-Mar-23	24-Nov-23	24-Mar-25	4.80%	1,000,000	1,000,000	731
21/13	ICBC - Industrial and Commercial Bank of China	Water	A	Annually	27-May-21	27-May-23	27-May-26	1.40%	1,000,000	1,000,000	1826
21/14	ICBC - Industrial and Commercial Bank of China	Sewer	A	Annually	27-May-21	27-May-23	27-May-26	1.40%	1,000,000	1,000,000	1826
21/15	ICBC - Industrial and Commercial Bank of China	General	A	Annually	27-May-21	27-May-23	27-May-26	1.40%	1,000,000	1,000,000	1826
TOTALS									83,000,000	83,000,000	

Cash Deposit Accounts											
As at Date	Borrower	FUND	Rating		Purchase Date	Last Coupon Date	Maturity Date	Current Yield	Value at beg year	Current value	Term
30/11/23	Commonwealth Bank	General	A		9/11/2020			0.00%		1,194.89	
30/11/23	Macquarie Bank	General	AA-	Monthly	9/11/2020	31/05/2023		3.90%	2,086,371	2,122,141.84	
30/11/23	Macquarie Bank	Water	AA-	Monthly	9/11/2020	31/05/2024		3.90%	2,588,269	2,632,644.67	
30/11/23	Macquarie Bank	Sewer	AA-	Monthly	9/11/2020	31/05/2025		3.90%	1,551,712	1,578,316.12	
Sub Total - Cash Deposit Accounts										6,334,297.52	-

**B) Council Investments by Fund 30 November, 2023**

Portfolio by Fund	31/10/2023	30/11/2023
General Fund	\$66,116,024	\$66,123,337
Water Fund	\$15,123,573	\$15,132,645
Sewer Fund	\$8,072,878	\$8,078,316
<b>TOTAL</b>	<b>\$89,312,475</b>	<b>\$89,334,298</b>

Council's investment portfolio remained relatively neutral throughout November 2023. This was in respect of normal cash flow movements for receipts collected and payments made during November 2023.

**Interest – Budgeted verses Actual Result to Date**

	Ledger	2023/2024 Budget \$	Actuals to Date \$	Accrued Interest to Date \$	TOTAL \$
General Fund	128820	884,000	419,847	463,602	883,449
Water Fund	812350	182,000	48,389	92,981	141,370
Sewer Fund	906320	130,000	26,670	57,288	83,958
<b>TOTAL</b>		<b>1,196,000</b>	<b>494,905</b>	<b>613,872</b>	<b>1,108,777</b>

Term deposit interest rates have improved recently with a 12-month term deposit now yielding 4.80 – 5.40%. Given our strong investment balances, Council is expected to exceed interest revenue targets in 2023/2024. This additional interest received during 2023/2024 will be allocated to special projects during 2024/2025.

**C) Investment Portfolio Performance**

Investment Portfolio Return		Benchmarks		
	% pa	RBA Cash Rate	Aus Bond Bank Bill	11am Cash Rate
Benchmark as at 30/11/2023		4.35%	4.37%	4.35%
Term Deposits	4.49%			
Cash Deposit Accounts	3.90%			
180 Day Call Account	0.00%			
Floating Rate Notes	0.00%			

**D) Investment Commentary**

Council's investment portfolio returns exceeded the above benchmarks in all investment categories except for Council's cash deposit accounts. These accounts are held for liquidity purposes.

Council's investment portfolio of \$89.3M is almost entirely invested in fixed term deposits. Overall, the portfolio is highly liquid, highly rated and short-dated from a counterparty perspective.

**Certification – Responsible Accounting Officer**

I Paul Pay, hereby certify that the investments listed in this report have been made in accordance with Section 625 of the *Local Government Act 1993*, Clause 212 of the Local Government (General) Regulations 2005 and Council's Investment Policy.

**RISK ASSESSMENT:**

Nil

**POLICY IMPLICATIONS:**

Nil

**CHIEF FINANCIAL OFFICERS COMMENT:**

Council's term deposit portfolio was yielding 4.49% p.a. at month-end, with a weighted average duration of around 228 days or 7.6 months. Council is well positioned to take advantage of increasing term deposit rates as investments mature.

**LEGAL IMPLICATIONS:**

Nil

**ATTACHMENTS:**

**Nil**

**13 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:

**13.1 2023 Rale Rasic Joeys Mini World Cup - Post Event Report**