



INVERELL
SHIRE COUNCIL



Inverell's Multicultural Festival will return this year and is expected to be bigger and better than ever. The Festival includes food stalls, market stalls and live entertainment with the nations of Brazil, Korea, South Africa, Fiji, PNG and the Philippines amongst the cultures being represented.

The Multicultural Festival will coincide with the Grafton to Inverell Cycle Race Finish Line Festival and will be held at Victoria Park on Saturday, 27 April from 11am.

Business Paper
Ordinary Meeting of Council
Wednesday, 24 April 2024

INVERELL SHIRE COUNCIL

NOTICE OF ORDINARY MEETING OF COUNCIL

19 April, 2024

An Ordinary Meeting of Council will be held in the Council Chambers, Administrative Centre, 144 Otho Street, Inverell on Wednesday, 24 April, 2024, 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

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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 2024 – August 2024

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG
Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed
No meeting	28	27	24	22	^26	24	28

JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG
Wed	Wed	Wed	Wed	Wed	Wed	Wed	Wed
No Meeting	14	13	10	8	12	10	14

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

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

^ Meeting at which the Management Plan for 2024/2025 is adopted.



INTERNAL CALENDAR

May 2024

SUN	MON	TUE	WED	THU	FRI	SAT
					10.00am Opening of Companion Animals Impounding Facility	Delungra Bucking Bulls
			1.	2.	3.	4.
Sapphire City Markets			9.00am Civil & Environmental Committee Meeting 10.30am Economic & Community Sustainability Committee Meeting 2.00pm Community Health Forum		Country Mayors Association	
5.	6.	7.	8.	9.	10.	11.
Mother's Day Inverell Mother's Day Classic	Reports due for Ordinary Council Meeting by 12.00pm		Expected third instalment of 2023-2024 Financial Assistance Grants			
12.	13.	14.	15.	16.	17.	18.
Sapphire City Markets Annual Dance & Music Eisteddfod 19th – 23th May			3.00pm Ordinary Council Meeting			
19.	20.	21.	22.	23.	24.	25.
					Fourth quarterly rates instalments due	
26.	27.	28.	29.	30.	31.	

Council office closed

1 APOLOGIES

2 CONFIRMATION OF MINUTES

RECOMMENDATION:

That the Minutes of the Ordinary Meeting of Council held on 27 March, 2024, as circulated to members, be confirmed as a true and correct record of that meeting.

**MINUTES OF INVERELL SHIRE COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBERS, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 27 MARCH 2024 AT 3.00PM**

PRESENT: Cr Kate Dight (Deputy Mayor) - Chairperson, Cr Jo Williams, Cr Di Baker, Cr Stewart Berryman, Cr Jacko Ross and Cr Wendy Wilks.

IN ATTENDANCE: Brett McInnes (General Manager), Paul Pay (Director Corporate and Community Services), Anthony Alliston (Director Environmental Services), Justin Pay (Director Civil Services) and Sharon Stafford (Governance and Executive Services Coordinator).

1 APOLOGIES

RESOLUTION 2024/22

Moved: Cr Di Baker
Seconded: Cr Jo Williams

That the apologies received from Cr Paul Harmon and Cr Paul King OAM, both for personal reasons, be accepted and leave of absence granted.

CARRIED

2 CONFIRMATION OF MINUTES

RESOLUTION 2024/23

Moved: Cr Di Baker
Seconded: Cr Stewart Berryman

That the Minutes of the Ordinary Meeting of Council held on 28 February, 2024, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

3 DISCLOSURE OF INTERESTS / PECUNIARY AND NON-PECUNIARY INTERESTS

Nil

4 PUBLIC FORUM

Nil

5 MAYORAL MINUTE

Nil

6 ADVOCACY REPORTS

6.1 AUSTRALIAN LOCAL GOVERNMENT WOMENS ASSOCIATION (ALGWA) CONFERENCE AND ANNUAL GENERAL MEETING S4.3.1

RESOLUTION 2024/24

Moved: Cr Di Baker
 Seconded: Cr Jo Williams

That the report be received and noted.

CARRIED

7 NOTICES OF BUSINESS

7.1 COMMUNITY HEALTH FORUM MEETING MINUTES - FEBRUARY AND MARCH 2024 S24.20.5

RESOLUTION 2024/25

Moved: Cr Wendy Wilks
 Seconded: Cr Jo Williams

That the minutes of the Community Health Forum Meetings held on 14 February and 13 March 2024 be received and noted.

CARRIED

8 QUESTIONS WITH NOTICE

Nil

9 COMMITTEE REPORTS

9.1 JOINT COMMITTEE MINUTES - 13 MARCH 2024

RESOLUTION 2024/26

Moved: Cr Wendy Wilks
 Seconded: Cr Di Baker

That the Minutes of the Joint Committee Meeting held on Wednesday, 13 March 2024, be received and noted.

CARRIED

9.2 CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MINUTES - 13 MARCH 2024

RESOLUTION 2024/27

Moved: Cr Stewart Berryman

Seconded: Cr Di Baker

- i. That the Minutes of the Civil and Environmental Services Committee Meeting held on Wednesday, 13 March, 2024, be received and noted; and*
- ii. The following recommendations of the Civil and Environmental Services Committee be adopted by Council.*

CARRIED

9.2.1 Dam Safety NSW Proposed Levy on Declared Dams

RECOMMENDATION:

That:

- i) the report be received and noted;*
- ii) Council objects to the proposed introduction of a levy on declared dam owners; and*
- iii) Council seek the support and representation of the Local Member the Hon Adam Marshall in not implementing the proposed levy on declared dam owners.*

9.2.2 Special Projects Roads Infrastructure Funding Allocation 2023/2024

RECOMMENDATION:

That the Special Projects Roads Infrastructure Funding for 2023/2024 of \$461,048 be allocated to gravel resheeting and drainage maintenance on Western Feeder Road.

9.2.3 Request for Upgrade - Cameron Street - Inverell Women's Shed

RECOMMENDATION:

That:

- i) Council accede to the request of the Inverell Women's Shed to upgrade the 170m section of Cameron Street that runs adjacent to the Inverell Racecourse utilising Option 2 (minor gravel patching, reshaping and recompacting existing gravel and bitumen sealing); and*
- ii) Council seek a financial contribution from the Inverell Jockey Club and the Inverell Equestrian Council Management Committee towards the upgrade.*

9.2.4 Information Reports

RECOMMENDATION

That the information reports be received and noted.

9.3 ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MINUTES - 13 MARCH 2024**RESOLUTION 2024/28**

Moved: Cr Jo Williams

Seconded: Cr Di Baker

- i. *That the Minutes of the Economic and Community Sustainability Committee Meeting held on Wednesday, 13 March 2024, be received and noted; and*
- ii. *The following recommendations of the Economic and Community Sustainability Committee be adopted by Council.*

CARRIED**9.3.1 Service Mapping Report****RECOMMENDATION:***That:*

- i) *Council acknowledge and commend Moree Plains Shire Council for undertaking the service mapping project; and*
- ii) *encourage Moree Plains Shire Council to showcase the report through the NSW Country Mayors Association.*

9.3.2 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.*

9.3.3 Investment Policy**RECOMMENDATION:***That:*

- i) *the report be received and noted;*
- ii) *the Investment Policy remain unchanged; and*
- iii) *the Investment Policy be reviewed again in three (3) years.*

9.3.4 Information Reports**RECOMMENDATION***That the information reports be received and noted.*

9.4 AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES - 12 MARCH 2024 S4.11.21**RESOLUTION 2024/29**

Moved: Cr Stewart Berryman

Seconded: Cr Di Baker

That the minutes from the Audit Risk and Improvement Committee Meeting held on Tuesday, 12 March 2024 be received and noted.

CARRIED**10 DESTINATION REPORTS****10.1 REFERRAL OF CONFIDENTIAL MATTERS S13.5.2/17****RESOLUTION 2024/30**

Moved: Cr Stewart Berryman

Seconded: Cr Jacko Ross

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 Contract for the Management and Operation of the Inverell Aquatic Centre and the Ashford Swimming Pool - Evaluation of Tender

Authority: *Information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business (s. 10A (2) (c) Local Government Act 1993).*

CARRIED**11 INFORMATION REPORTS****RESOLUTION 2024/31**

Moved: Cr Stewart Berryman

Seconded: Cr Wendy Wilks

That the following information reports be received and noted.

CARRIED**11.1 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENT CERTIFICATES DURING FEBRUARY 2024 S18.10.2/17****11.2 ORDINANCE ACTIVITIES REPORT FOR FEBRUARY 2024 S18.10.1**

11.3 STRATEGIC TASKS - 'SIGN OFF' - FEBRUARY 2024 S4.13.2

11.4 PCG MEETING - INVERELL AQUATIC CENTRE REPLACEMENT S5.9.27

11.5 ST ELMO MEDICAL PRACTICE - LETTER OF APPRECIATION S6.8.9

11.6 DISPENSE WITH BY-ELECTION S13.6.1

12 GOVERNANCE REPORTS

Nil

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

At 3.15pm, the Chairperson noted that no members of the public or press were in attendance at the meeting therefore Council proceeded to consider the motion to close the meeting to the press and public.

RESOLUTION 2024/32

Moved: Cr Di Baker
 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 2024/33

Moved: Cr Di Baker
 Seconded: Cr Stewart Berryman

That Council proceeds out of Closed Council into Open Council.

CARRIED

Upon resuming Open Council at 3.28pm, 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 CONTRACT FOR THE MANAGEMENT AND OPERATION OF THE INVERELL AQUATIC CENTRE AND THE ASHFORD SWIMMING POOL - EVALUATION OF TENDER S4.19.16/03

RECOMMENDATION:

That after considering the tenders received for the management and operation of the Inverell Aquatic Centre and the Ashford Swimming Pool, the following actions be taken:

- 1) *In accordance with 178 (1) (b) of the Local Government (General) Regulation 2021, Council decline to accept the tender.*
- 2) *In accordance with 178 (3) (e) of the Local Government (General) Regulation 2021, Council (in the first instance) enter into negotiations with Belgravia Leisure with a view to entering into a contract for management and operation of the Inverell Aquatic Centre and the Ashford Swimming Pool.*
- 3) *Subject to the negotiations with Belgravia Leisure, and also consistent with 178 (3) (e) of the Local Government (General) Regulation 2021, Council enter into negotiations with the following companies with a view to entering into a contract in relation to management and operation of the Inverell Aquatic Centre and the Ashford Swimming Pool:*
 - i) *City Venue Management P/L*
 - ii) *BlueFit*
 - iii) *MI Leisure Pty Ltd*
- 4) *Consistent with 178 (4) of the Local Government (General) Regulation 2021:*
 - a) *Council not invite fresh tenders as:*
 - i) *it is satisfied that it is unlikely to receive any more competitive conforming tenders if a further process was run; and*
 - ii) *a further process would not therefore, represent value for money.*
 - b) *Entering into negotiations will provide Council with the opportunity to further refine several components of the tender documents and the terms of the contract to obtain the best value for the management and operation of the Inverell Aquatic Centre and the Ashford Swimming Pool, noting that Belgravia Leisure has satisfied Council in regard to the Tender Criteria and that the other named parties in point 3) are known to be reputable and have the necessary experience in the aquatic management industry.*
- 5) *A report be presented back to a future meeting of Council advising the outcome and making recommendations in regard to the negotiations identified in point 2) and/or 3) above.*

ADOPTION OF RECOMMENDATIONS

RESOLUTION 2024/34

Moved: Cr Stewart Berryman

Seconded: Cr Di Baker

That the recommendations of Closed Council be adopted.

CARRIED

The Meeting closed at 3.29pm.

3 DISCLOSURE OF INTERESTS / PECUNIARY AND NON-PECUNIARY INTERESTS

4 PUBLIC FORUM

5 MAYORAL MINUTE

Nil

6 ADVOCACY REPORTS

Nil

7 NOTICES OF BUSINESS

Nil

8 QUESTIONS WITH NOTICE

Nil

9 COMMITTEE REPORTS

9.1 CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MINUTES - 10 APRIL 2024

File Number: S4.11.16/16 / 24/13141

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

Meeting held on Wednesday, 10 April, 2024.

For the consideration of Council.

COMMENTARY:

Refer to the attached minutes of the meeting.

RECOMMENDATION:

- i. That the Minutes of the Civil and Environmental Services Committee Meeting held on Wednesday, 10 April, 2024, be received and noted; and*
- ii. The following recommendations of the Civil and Environmental Services Committee be adopted by Council.*

9.1.1 Bitumen Resurfacing Program 2024-2025

RECOMMENDATION:

That subject to the endorsement of the 2024/25 budget:

- the proposed 2024-2025 Bitumen Resurfacing Program be adopted as presented; and*
- the adopted Bitumen Resurfacing Program be placed on Council’s website for the information of the community.*

9.1.2 Urban Works Program 2023/24

RECOMMENDATION:

That the \$531,136 in the 2023/24 Urban Works budget be allocated to the rehabilitation and reconstruction of Libani Close, Inverell.

9.1.3 Information Reports

RECOMMENDATION

That the information reports be received and noted.

Attachments:

- 1. Minutes of Civil and Environmental Services Committee Meeting 10 April, 2024**

**MINUTES OF INVERELL SHIRE COUNCIL
CIVIL AND ENVIRONMENTAL SERVICES COMMITTEE MEETING
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 10 APRIL 2024 AT 9.00AM**

PRESENT: Cr Stewart Berryman [Chairperson], Cr Paul Harmon (Mayor), Cr Di Baker, Cr Kate Dight, Cr Paul King OAM, Cr Jacko Ross, Cr Wendy Wilks and Cr Jo Williams.

IN ATTENDANCE: Brett McInnes (General Manager), Paul Pay (Director Corporate and Community Services), Justin Pay (Director Civil Services) and Sharon Stafford (Governance and Executive Services).

1 APOLOGIES

Nil

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Wendy Wilks

Seconded: Cr Di Baker

That the Minutes of the Civil and Environmental Services Committee Meeting held on 13 March, 2024, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

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

4 PUBLIC FORUM

Nil

5 DESTINATION REPORTS

5.1 BITUMEN RESURFACING PROGRAM 2024-2025 S28.21.1/17

COMMITTEE RESOLUTION

Moved: Cr Di Baker

Seconded: Cr Jacko Ross

The Committee recommend to Council that subject to the endorsement of the 2024/25 budget:

- *the proposed 2024-2025 Bitumen Resurfacing Program be adopted as presented; and*
- *the adopted Bitumen Resurfacing Program be placed on Council's website for the information of the community.*

CARRIED

5.2 URBAN WORKS PROGRAM 2023/24 S28.21.1

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Jacko Ross

That the Committee recommend to Council that the \$531,136 in the 2023/24 Urban Works budget be allocated to the rehabilitation and reconstruction of Libani Close, Inverell.

CARRIED

6 INFORMATION REPORTS

COMMITTEE RESOLUTION

Moved: Cr Di Baker

Seconded: Cr Jacko Ross

That the following information report be received and noted.

CARRIED

6.1 WORKS UPDATE S28.21.1/17

COMMITTEE RESOLUTION

Moved: Cr Paul Harmon

Seconded: Cr Wendy Wilks

That the following information report be received and noted.

CARRIED

6.2 COMPLETION OF COMPANION ANIMAL IMPOUNDING FACILITY S5.9.33

The Meeting closed at 9.15am.

9.2 ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MINUTES - 10 APRIL 2024

File Number: S4.11.17/16 / 24/13142

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

Meeting held on Wednesday, 10 April, 2024.

For the consideration of Council.

COMMENTARY:

Refer to the attached minutes of the meeting.

RECOMMENDATION:

- i. That the Minutes of the Economic and Community Sustainability Committee Meeting held on Wednesday, 10 April, 2024, be received and noted; and*
- ii. The following recommendations of the Economic and Community Sustainability Committee be adopted by Council.*

9.2.1 2024/2025 Draft Estimates and Operational Plan, and Long-Term Financial Plan

RECOMMENDATION:

1. *That the following works be funded from the Urban Works Vote and be included in the 2024/2025 Budget:*

i) *Inverell and Villages - Urban Renewal and Upgrade General Fund, Water Fund*

		General Fund	Water Fund
A	Inverell and Villages - Urban Renewal and Upgrade <i>Project subject to a further report to Civil and Environmental Committee</i>	\$612.331K	\$ 0K
B	Urban Work Contribution to Pool Loan	\$58.754K	
C	Footpaths and Cycleway Construction \$ for \$ Contribution to PAMP Program (Subject to RMS approving the 2024/2025 Program)	\$49.67K	
D	Village Works – Community suggested projects		
	Ashford	\$ 7.890K	
	Delungra	\$ 7.890K	
	Gilgai	\$ 7.890K	
	Yetman	\$ 7.890K	
	Tingha	\$ 7.890K	
	Oakwood	\$ 1.170K	
	Bonshaw	\$ 1.170K	
	Graman	\$ 1.170K	
	Nullamanna	\$ 1.170K	
	Elsmore	\$ 1.170K	
	Stannifer	\$ 1.170K	
	Gum Flat	\$ 1.170K	
	TOTALS	\$ 768.395K	\$0K

2. *That:*

- i) *the budget allocations of \$2.842M for the 2024/2025 ACRD Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the funding allocations and individual works proposed to be undertaken under this program;*
- ii) *the budget allocations of the \$160K RMS Supplementary Block Grant Program be the subject of a further report to the Civil and Environmental Services Committee Meeting;*
- iii) *the budget allocation of \$3.108M for the 2024/2025 Block Grant Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded;*

- iv) *the budget allocation of \$1.402M for the 2024/2025 Roads to Recovery Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded; and*
- v) *the budget allocation of \$544.99K for the RERRF/REPAIR Program be endorsed and a report on the projects for the RERRF/REPAIR Program for 2024/2025 be presented to the Civil and Environmental Services Committee once funding allocation has been confirmed.*

3. *That Council utilises the maximum permissible rate increase allowed by IPART of 4.5%.*

4. *That:*

- i) *Council provide an allocation of \$108K for joint industry promotions and assistance;*
- ii) *the 2024/2025 Strategic Capital Infrastructure Fund of \$670K be utilised for loan repayments for the Inverell Aquatic Centre Redevelopment;*
- iii) *additional interest on investments of \$476K be allocated to Strategic Capital Infrastructure fund to fund future capital projects with a further report to be presented to Council to utilise these funds;*
- iv) *the budget allocation of \$324K for the 2024/2025 Special Projects – Roads Infrastructure Fund be endorsed;*
- v) *a further report be presented to the Civil and Environment Committee in respect of the specific projects to be funded under the Special Projects – Roads Infrastructure Fund;*
- vi) *the transfers to and from Internally Restricted Assets be endorsed; and*
- vii) *the list of additional one off budget adjustments listed in section 5.2.2 & 5.2.3 of the report be endorsed.*

5. *That:*

- i) *the following rating categories be utilised for the 2024/2025 rating year:*

Residential – Inverell

Residential – General

Residential – Ashford

Residential – Delungra

Residential – Gilgai

Residential – Yetman

Residential - Tingha

Residential – Rural

Business – Inverell Industrial/Commercial

Business – Other

Farmland

Mining

- ii) a General Base Amount of \$235 plus an Ad Valorem Rate be determined for the categories detailed in above.
- 6. The Interest Rate applicable to Outstanding Rates and Charges for 2024/2025 be the maximum allowable as advised by the Office of Local Government.
- 7. That the following Waste Management Charges be adopted:
 - i) Waste Management Charge – All Properties \$100.00
 - ii) Domestic Waste Management - Occupied Charge: per service per assessment \$418.00
 - iii) Domestic Waste Management - Occupied Charge \$418.00
 Tingha Boundary Adjustment – properties with 140lt garbage bin per service per assessment
 - iv) Domestic Waste Management – Unoccupied Charge \$75.00
 - v) Weekly Commercial Waste Management Charge \$418.00
 (This Charge is levied per Service, and GST is charged if applicable)
 - vi) Weekly Commercial Recycling Charge (ex GST) \$160.00
 - vii) Fortnightly Commercial Recycling Charge (ex GST) \$85.00
 (These Charges are levied per Service, and GST is charged if applicable)
- 8. That the Fees and Charges, as recommended, be adopted.
- 9. That:
 - i) the Stormwater Management Service Charge be set at the maximum amount allowable of \$25.00 per Residential Premises, \$12.50 per Residential Strata lot, and \$25.00 for Business Premises for each 350 square metres or additional part thereof, subject to a maximum charge on Business Premises of \$200.00; and
 - ii) the Stormwater Management Program as recommended being Gilgai Drainage Project as per the adopted Gilgai Drainage Upgrade Plan, be adopted.
- 10. That:
 - i) the report on the 2024/2025 budget be noted;
 - ii) the draft estimates (incorporating the Operational Plan and Long-Term Financial Plans) for the General Activities for 2024/2025 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.

11. *That:*

- i) a 2024/2025 “Deficit” Budget of \$211K for the Sewer Fund from ordinary activities before capital amounts be adopted;
- ii) the Sewerage Charges as listed below be adopted for 2024/2025:

Charge	\$
Sewerage Charge Occupied	645.00
Sewerage Charge Unoccupied	406.00
Sewerage Charge Flats/Units	645.00
Sewerage Charge Nursing Homes	3,025.00
Sewerage Charge Inverell Showground	4,090.00
Sewerage Charge Hotel/Licensed Clubs	1,928.00

Number of Services per Assessment	Annual Charge Per Assessment \$
1	645.00
2	1,051.00
3	1,457.00
4	1,863.00
5	2,269.00
6	2,675.00
7	3,081.00
8	3,487.00
9	3,893.00
10	4,299.00
11	4,705.00
12	5,111.00
13	5,517.00
14	5,923.00
15	6,329.00
16	6,735.00

Charge Structure for Non-Rateable Properties

Charge	\$
Non-ratable - Schools - wc's	133.00
Non-ratable - Other - wc's	143.00
Non-rayable - Urinals	133.00

Charge Structure for Motels and Caravan Parks

In accordance with the charge structure for Motels and Caravan Parks, the following charges are proposed for 2024/2025:

Charge	\$
Motel Residence	1,928.00
Motel Restaurant	645.00
Motel Ensuite	203.00
Caravan Park Residence	645.00
Caravan Park Amenities Block	1,928.00
Caravan Park Ensuite Cabins	203.00

Charge Structure for Showgrounds

In accordance with the charge structure for Inverell Showgrounds the following charges are proposed for 2024/2025:

Charge	\$
Inverell Showgrounds	4,090.00

- iii) *The Draft Estimates (incorporating Operational Plan) for the Sewerage Fund for 2024/2025 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

12. That:

- i) *a 2024/2025 “Deficit” Budget of \$217K for the Water Fund from ordinary activities before capital amounts be adopted;*
- ii) *a water availability base charge of \$457.00 per assessment (includes first water meter) be adopted for 2024/2025;*
- iii) *a water charge of \$457.00 per additional water meter, per assessment be adopted for 2024/2025;*
- iv) *a water charge of \$457.00 per assessment (includes first water meter) be adopted for properties within the Tingha Boundary Adjustment area for 2024/2025;*
- v) *a water charge of \$457.00 per additional water meter, per assessment be adopted for properties within the Tingha Boundary Adjustment area for 2024/2025;*
- vi) *a charge of \$2.14 per kilolitre be adopted for commercial water consumption for 2024/2025;*
- vii) *a charge of \$2.14 per kilolitre, 0 to 600 kilolitres and \$2.46 per kilolitre over 600 kilolitres be adopted for residential water consumption for 2024/2025;*
- viii) *a charge of \$1.14 per kilolitre be adopted for water consumption - Abattoirs, plus a 20 per cent early settlement discount for 2024/2025;*
- ix) *a charge of \$1.14 per kilolitre be adopted for Community Facilities water consumption; eligible entities include: Inverell Minor League, Inverell Golf Club, Inverell Tennis Club, Inverell Rugby Club, Gilgai Tennis Club, Inverell Equestrian Council and Inverell Shire Council (sporting facilities and parks) for 2024/2025;*
- x) *a charge of \$0.56 per kilolitre be adopted for Raw Water consumption for 2024/2025; and*

- xi) *the draft Estimates (incorporating Operational Plan) for the Water Fund for 2024/2025 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act, 1993.*

9.2.2 Crime and Community Safety in Regional and Rural Communities – Inverell Shire Council Perspective

RECOMMENDATION:

That:

1. *Council make a submission to the Legislative Assembly Inquiry into Community Safety in Regional and Rural Communities regarding the level and impact of crime in the Inverell Shire;*
2. *Council encourage community members that have been impacted upon by crime and other interested parties to make submissions to the Inquiry into Community Safety in Regional and Rural Communities;*
3. *Council seek the formal support of the Member for Northern Tablelands Adam Marshall MP and Northern Tablelands Councils to have an Inquiry hearing conducted in Inverell; and*
4. *Council continue to advocate on behalf of the community to relevant authorities, agencies and government to ensure an appropriate and wholistic response to crime and community safety in Inverell Shire.*

9.2.3 Audit, Risk and Improvement Committee - Internal Audit Charter

RECOMMENDATION:

The adoption of the proposed Internal Audit Charter.

9.2.4 Information Reports

RECOMMENDATION

That the information reports be received and noted.

ATTACHMENTS:

1. **Minutes of Economic and Community Sustainability Committee Meeting 10 April, 2024**

**MINUTES OF INVERELL SHIRE COUNCIL
ECONOMIC AND COMMUNITY SUSTAINABILITY COMMITTEE MEETING
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON WEDNESDAY, 10 APRIL 2024 AT 10.30AM**

PRESENT: Cr Paul King OAM [Chairperson], Cr Paul Harmon (Mayor), Cr Kate Dight, Cr Stewart Berryman, Cr Di Baker, Cr Jacko Ross, Cr Wendy Wilks and Cr Jo Williams.

IN ATTENDANCE: Brett McInnes (General Manager), Paul Pay (Director Corporate and Community Services), Justin Pay (Director Civil Services) and Sharon Stafford (Governance and Executive Services).

1 APOLOGIES

Nil

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Jo Williams

Seconded: Cr Kate Dight

That the Minutes of the Economic and Community Sustainability Committee Meeting held on 13 March, 2024, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

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

Nil

4 DESTINATION REPORTS

4.1 2024/2025 DRAFT ESTIMATES AND OPERATIONAL PLAN, AND LONG TERM FINANCIAL PLAN S12.5.3

COMMITTEE RESOLUTION

Moved: Cr Kate Dight

Seconded: Cr Paul Harmon

1. *The Committee recommends to Council that the following works be funded from the Urban Works Vote and be included in the 2024/2025 Budget:*

i) *Inverell and Villages - Urban Renewal and Upgrade General Fund, Water Fund*

		General Fund	Water Fund
A	Inverell and Villages - Urban Renewal and Upgrade		
	<i>Project subject to a further report to Civil and Environmental Committee</i>	\$612.331K	\$ 0K
B	Urban Work Contribution to Pool Loan	\$58.754K	
C	Footpaths and Cycleway Construction		
	<i>\$ for \$ Contribution to PAMP Program (Subject to RMS approving the 2024/2025 Program)</i>	\$49.67K	
D	Village Works – Community suggested projects		
	Ashford	\$ 7.890K	
	Delungra	\$ 7.890K	
	Gilgai	\$ 7.890K	
	Yetman	\$ 7.890K	
	Tingha	\$ 7.890K	
	Oakwood	\$ 1.170K	
	Bonshaw	\$ 1.170K	
	Graman	\$ 1.170K	
	Nullamanna	\$ 1.170K	
	Elsmore	\$ 1.170K	
	Stannifer	\$ 1.170K	
	Gum Flat	\$ 1.170K	
	TOTALS	\$ 768.395K	\$0K

2. *That:*

i) *the budget allocations of \$2.842M for the 2024/2025 ACRD Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the funding allocations and individual works proposed to be undertaken under this program;*

ii) *the budget allocations of the \$160K RMS Supplementary Block Grant Program be the subject of a further report to the Civil and Environmental Services Committee*

Meeting;

- iii) *the budget allocation of \$3.108M for the 2024/2025 Block Grant Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded;*
 - iv) *the budget allocation of \$1.402M for the 2024/2025 Roads to Recovery Program be endorsed and a further report be presented to the Civil and Environmental Services Committee in respect of the specific projects to be funded; and*
 - v) *the budget allocation of \$544.99K for the RERRF/REPAIR Program be endorsed and a report on the projects for the RERRF/REPAIR Program for 2024/2025 be presented to the Civil and Environmental Services Committee once funding allocation has been confirmed.*
3. *That Council utilises the maximum permissible rate increase allowed by IPART of 4.5%.*
4. *That:*
- i) *Council provide an allocation of \$108K for joint industry promotions and assistance;*
 - ii) *the 2024/2025 Strategic Capital Infrastructure Fund of \$670K be utilised for loan repayments for the Inverell Aquatic Centre Redevelopment;*
 - iii) *additional interest on investments of \$476K be allocated to Strategic Capital Infrastructure fund to fund future capital projects with a further report to be presented to Council to utilise these funds;*
 - iv) *the budget allocation of \$324K for the 2024/2025 Special Projects – Roads Infrastructure Fund be endorsed;*
 - v) *a further report be presented to the Civil and Environment Committee in respect of the specific projects to be funded under the Special Projects – Roads Infrastructure Fund;*
 - vi) *the transfers to and from Internally Restricted Assets be endorsed; and*
 - vii) *the list of additional one off budget adjustments listed in section 5.2.2 & 5.2.3 of the report be endorsed.*
5. *That:*
- i) *the following rating categories be utilised for the 2024/2025 rating year:*
 - Residential – Inverell*
 - Residential – General*
 - Residential – Ashford*
 - Residential – Delungra*
 - Residential – Gilgai*
 - Residential – Yetman*
 - Residential - Tingha*
 - Residential – Rural*

Business – Inverell Industrial/Commercial

Business – Other

Farmland

Mining

- ii) *a General Base Amount of \$235 plus an Ad Valorem Rate be determined for the categories detailed in above.*

6. *The Interest Rate applicable to Outstanding Rates and Charges for 2024/2025 be the maximum allowable as advised by the Office of Local Government.*

7. *That the following Waste Management Charges be adopted:*

i) *Waste Management Charge – All Properties* \$100.00

ii) *Domestic Waste Management - Occupied Charge: per service per assessment* \$418.00

iii) *Domestic Waste Management - Occupied Charge* \$418.00

Tingha Boundary Adjustment – properties with 140lt garbage bin per service per assessment

iv) *Domestic Waste Management – Unoccupied Charge* \$75.00

v) *Weekly Commercial Waste Management Charge* \$418.00

(This Charge is levied per Service, and GST is charged if applicable)

vi) *Weekly Commercial Recycling Charge (ex GST)* \$160.00

vii) *Fortnightly Commercial Recycling Charge (ex GST)* \$85.00

(These Charges are levied per Service, and GST is charged if applicable)

8. *That the Fees and Charges, as recommended, be adopted.*

9. *That:*

- i) *the Stormwater Management Service Charge be set at the maximum amount allowable of \$25.00 per Residential Premises, \$12.50 per Residential Strata lot, and \$25.00 for Business Premises for each 350 square metres or additional part thereof, subject to a maximum charge on Business Premises of \$200.00; and*

- ii) *the Stormwater Management Program as recommended being Gilgai Drainage Project as per the adopted Gilgai Drainage Upgrade Plan, be adopted.*

10. *That:*

- i) *the report on the 2024/2025 budget be noted;*

- ii) *the draft estimates (incorporating the Operational Plan and Long-Term Financial Plans) for the General Activities for 2024/2025 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

11. *That:*

- i) *a 2024/2025 “Deficit” Budget of \$211K for the Sewer Fund from ordinary activities before capital amounts be adopted;*
- ii) *the Sewerage Charges as listed below be adopted for 2024/2025:*

Charge	\$
Sewerage Charge Occupied	645.00
Sewerage Charge Unoccupied	406.00
Sewerage Charge Flats/Units	645.00
Sewerage Charge Nursing Homes	3,025.00
Sewerage Charge Inverell Showground	4,090.00
Sewerage Charge Hotel/Licensed Clubs	1,928.00

Number of Services per Assessment	Annual Charge Per Assessment \$
1	645.00
2	1,051.00
3	1,457.00
4	1,863.00
5	2,269.00
6	2,675.00
7	3,081.00
8	3,487.00
9	3,893.00
10	4,299.00
11	4,705.00
12	5,111.00
13	5,517.00
14	5,923.00
15	6,329.00
16	6,735.00

Charge Structure for Non-Rateable Properties

Charge	\$
Non-ratable - Schools - wc's	133.00
Non-ratable - Other - wc's	143.00
Non-rayable - Urinals	133.00

Charge Structure for Motels and Caravan Parks

In accordance with the charge structure for Motels and Caravan Parks, the following charges are proposed for 2024/2025:

Charge	\$
Motel Residence	1,928.00
Motel Restaurant	645.00
Motel Ensuite	203.00
Caravan Park Residence	645.00
Caravan Park Amenities Block	1,928.00
Caravan Park Ensuite Cabins	203.00

Charge Structure for Showgrounds

In accordance with the charge structure for Inverell Showgrounds the following charges are proposed for 2024/2025:

Charge	\$
Inverell Showgrounds	4,090.00

- iii) *The Draft Estimates (incorporating Operational Plan) for the Sewerage Fund for 2024/2025 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act 1993.*

12. *That:*

- i) *a 2024/2025 "Deficit" Budget of \$217K for the Water Fund from ordinary activities before capital amounts be adopted;*
- ii) *a water availability base charge of \$457.00 per assessment (includes first water meter) be adopted for 2024/2025;*
- iii) *a water charge of \$457.00 per additional water meter, per assessment be adopted for 2024/2025;*
- iv) *a water charge of \$457.00 per assessment (includes first water meter) be adopted for properties within the Tingha Boundary Adjustment area for 2024/2025;*
- v) *a water charge of \$457.00 per additional water meter, per assessment be adopted for properties within the Tingha Boundary Adjustment area for 2024/2025;*
- vi) *a charge of \$2.14 per kilolitre be adopted for commercial water consumption for 2024/2025;*

- vii) *a charge of \$2.14 per kilolitre, 0 to 600 kilolitres and \$2.46 per kilolitre over 600 kilolitres be adopted for residential water consumption for 2024/2025;*
- viii) *a charge of \$1.14 per kilolitre be adopted for water consumption - Abattoirs, plus a 20 per cent early settlement discount for 2024/2025;*
- ix) *a charge of \$1.14 per kilolitre be adopted for Community Facilities water consumption; eligible entities include: Inverell Minor League, Inverell Golf Club, Inverell Tennis Club, Inverell Rugby Club, Gilgai Tennis Club, Inverell Equestrian Council and Inverell Shire Council (sporting facilities and parks) for 2024/2025;*
- x) *a charge of \$0.56 per kilolitre be adopted for Raw Water consumption for 2024/2025; and*
- xi) *the draft Estimates (incorporating Operational Plan) for the Water Fund for 2024/2025 be adopted and placed on public exhibition for a period of 28 days as required by Section 405 of the Local Government Act, 1993.*

CARRIED

At this juncture, the time being 11.20am, Cr King left the meeting. Cr Harmon assumed the Chair.

4.2 CRIME AND COMMUNITY SAFETY IN REGIONAL AND RURAL COMMUNITIES – INVERELL SHIRE COUNCIL PERSPECTIVE S14.11.1/17

COMMITTEE RESOLUTION

Moved: Cr Kate Dight

Seconded: Cr Jo Williams

That the Committee recommend to Council that:

1. *Council make a submission to the Legislative Assembly Inquiry into Community Safety in Regional and Rural Communities regarding the level and impact of crime in the Inverell Shire;*
2. *Council encourage community members that have been impacted upon by crime and other interested parties to make submissions to the Inquiry into Community Safety in Regional and Rural Communities;*
3. *Council seek the formal support of the Member for Northern Tablelands Adam Marshall MP and Northern Tablelands Councils to have an Inquiry hearing conducted in Inverell; and*
4. *Council continue to advocate on behalf of the community to relevant authorities, agencies and government to ensure an appropriate and wholistic response to crime and community safety in Inverell Shire.*

CARRIED

5 INFORMATION REPORTS

COMMITTEE RESOLUTION

Moved: Cr Wendy Wilks
 Seconded: Cr Jacko Ross

That the following information report be received and noted.

CARRIED

5.1 KEY ELECTION DATES S13.7.4/05

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
 Seconded: Cr Jo Williams

That the following information report be received and noted.

CARRIED

5.2 SYDNEY WRITERS FESTIVAL "LIVE & LOCAL" AT THE INVERELL LIBRARY S3.6.17/06

6 GOVERNANCE REPORTS

6.1 AUDIT, RISK AND IMPROVEMENT COMMITTEE - INTERNAL AUDIT CHARTER S4.11.21

COMMITTEE RESOLUTION

Moved: Cr Kate Dight
 Seconded: Cr Jo Williams

That the Committee recommend to Council the adoption of the proposed Internal Audit Charter.

CARRIED

6.2 GOVERNANCE - MONTHLY INVESTMENT REPORT S12.12.2

COMMITTEE RESOLUTION

Moved: Cr Jo Williams
 Seconded: Cr Kate Dight

The Committee recommends to Council that:

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

CARRIED

The Meeting closed at 11.46am.

9.3 ABORIGINAL CONSULTATIVE COMMITTEE MEETING MINUTES - 15 APRIL 2024

File Number: S2.14.1 / 24/13527

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

Meeting held on 15 April, 2024.

For Council's information.

RECOMMENDATION:

That the minutes from the Aboriginal Consultative Committee Meeting held on Monday, 15 April, 2024 be received and noted.

COMMENTARY:

Refer to the attached minutes of the meeting.

ATTACHMENTS:

1. **Aboriginal Consultative Committee Meeting Minutes - 15 April 2024** [↓](#)

**MINUTES OF INVERELL SHIRE COUNCIL
ABORIGINAL CONSULTATIVE COMMITTEE MEETING
HELD AT THE COMMITTEE ROOM, ADMINISTRATIVE CENTRE, 144 OTHO STREET,
INVERELL
ON MONDAY, 15 APRIL 2024 AT 10.00AM**

PRESENT: Cr Paul King OAM (Chairperson), Natalie Delaney, Jane Blair, Amelia Kellner and Matt Cutmore.

IN ATTENDANCE: Brett McInnes (General Manager) and Sharon Stafford (Governance & Executive Services).

1 APOLOGIES

Cr Paul Harmon.

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Amelia Kellner

Seconded: Jane Blair

That the Minutes of the Aboriginal Consultative Committee Meeting held on 2 August, 2023, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

3 ACKNOWLEDGEMENT OF COUNTRY

Jane Blair acknowledged the traditional custodians of the land on which we are meeting today and paid respects to Elders, past and present and emerging.

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

Nil

5 MATTERS ARISING

Signage – Inverell and Tingha

Jane Blair reported on consultation with local elders regarding wording for the entrance signs.

Inverell – agreement has been reached on the wording/image for the Inverell signage.

Tingha – opinions are mixed on the wording for the Tingha signage. Jane to coordinate another meeting to progress.

Ashford – Jane to coordinate a meeting to seek agreement on wording/image for the Ashford signage.

Public Art Project

The General Manager advised that Transport for NSW are not prepared to approve the concept design for the Tingha Bridge Roundabout due to safety concerns. Council has requested for

Aboriginal Consultative Committee Meeting Minutes

15 April 2024

Transport NSW to provide dimensions for the artwork envelope and any other guidelines to assist with progressing a suitable design response.

General Manager to liaise with the artist regarding the possible commissioning of a montage/mural of an aquatic scene at the Inverell Pool complex.

Linking Together Centre

Armajun have entered into a 3 year lease to occupy the Centre. Armajun offer a a broad range of health related programs.

Council Website

The General Manager advised that he is committed to updating the ISC website to meet modern day expectations. The upgrade would be an ideal opportunity to progress this suggestion.

It was noted that as the website redevelopment takes shape, an opportunity to facilitate the link to material pertaining to the following may be available:

- Aboriginal services
- Sorry Day information
- NAIDOC Week activities
- Showcase activities of Committees/Groups
- Closing the Gap

Matt Cutmore arrived at 10.35am.

6 GRAHAM PARK

The General Manager advised that Council undertook a tour of the village of Tingha, met with community representatives and then held their Committee Meetings in the Tingha Town Hall on Wednesday, 11 October 2023.

The General Manager appraised the Committee of the following which was discussed with the community representatives on the day:

- Council has funding available to rebuild the public toilets in the main street of Tingha.
- Noted that quotations have been obtained for a shade shelter for the play equipment. Council keen to undertake community consultation on whether Graham Park is the best location for the play equipment/shade shelter given the proximity to the creek, the bridge and the main road. Should the play equipment be located near the skatepark where there is passive surveillance, with a longer term plan of locating toilets at this site also? Council would seek general consensus in the community on the best location, prepare concept plans and seek feedback from the community. Council would need to identify further grant funding opportunities.

7 GENERAL BUSINESS

Community Event

Matt Cutmore advised that he is organising a BBQ and Football on the big screen for families at Waratah Park on Friday, 19 April 2024.

Rubbish Bin Surrounds – Riverbank

It was noted that at the last meeting there was a suggestion to have platypus images etched on rubbish bin surrounds along the riverbank.

Further details on suggested design will be sought from Joyce Livermore.

Aboriginal Consultative Committee Meeting Minutes

15 April 2024

Social Issues

Concern was expressed regarding the crime rate in Inverell.

The General Manager advised that Council has met with the local member and the local police on the issue. Inverell Shire Council has supported the Country Mayors Association in their call for a Legislative Assembly Inquiry into Community Safety in Regional and Rural Communities regarding the level and impact of crime in the Inverell Shire and will be making a submission.

Council will also be:

- encouraging community members that have been impacted upon by crime and other interested parties to make submissions to the Inquiry;
- seeking the formal support of the Member for Northern Tablelands Adam Marshall MP and Northern Tablelands Councils to have an Inquiry hearing conducted in Inverell; and
- will continue to advocate on behalf of the community to relevant authorities, agencies and government to ensure an appropriate and wholistic response to crime and community safety in Inverell Shire.

The General Manager appraised the Committee of the positive outcomes being derived from the Back Track program and advised that he recently provided a letter of support seeking to get a branch of the Back Track program up and running in Inverell.

Future Meetings

The General Manager suggested that to build and maintain momentum for the Committee, meetings be held bi-monthly.

The next meeting to be held on Monday, 17 June 2024 commencing at 10am.

The Meeting closed at 10.55am.

10 DESTINATION REPORTS

10.1 INTERMENT SERVICES LEVY

File Number: S24.6.6/01 / 24/13018

Author: Anthony Alliston, Director Environmental Services

SUMMARY:

On the 28 March 2024 the New South Wales Government announced the expansion of an interment services levy to all cemetery operators including Councils. It is proposed that the interment services levy will commence on 1 July 2024. Cemeteries and Crematoria NSW are now consulting on this announcement and have invited submissions on the interment services levy until 9 May 2024. Local Government NSW have indicated their opposition to the interment services levy and have asked Councils for feedback to assist them in making a submission.

The purpose of this report is to provide the Council with information and discussion on the proposed interment services levy.

Council is being asked to note the information contained in the report and Council's response to the feedback questions provided to Local Government NSW. Council is also being asked to endorse the intention for Council staff to make a submission advising that Inverell Shire Council does not support the proposed interment services levy being imposed on Council cemetery operators.

RECOMMENDATION:

That Council:

- (a) *note the information contained in the report and the response to the feedback questions provided to Local Government NSW; and*
- (b) *endorse the intent of a submission as outlined in the report that Council do not support the proposed Interment Industry Levy being imposed on Council cemetery operators.*

COMMENTARY:

Introduction

On the 28 March 2024 the New South Wales Government announced the expansion of an interment services levy to all cemetery operators including Councils. It is proposed that the levy will commence on 1 July 2024. Cemeteries and Crematoria NSW are now consulting on this announcement and have invited submissions on the levy until 9 May 2024.

Local Government NSW, through the Cemeteries Network, have also asked for feedback from Council in regards to the proposed levy. Local Government NSW have indicated their intention to oppose the levy being placed on Council cemetery operators.

Background

In 2020, a statutory review of the *Cemeteries and Crematoria Act 2013* was completed which included recommendations to better achieve the objects of the Act and address risks to consumers. The review highlighted the need to develop the capability and capacity of the regulator and ensure appropriate levels of resourcing as critical areas for improvement in the oversight and regulation of the interment industry.

Both the 2020 statutory review and the Independent Pricing and Regulatory Tribunal, in its review of interment costs and pricing, recommended an expanded levy for the industry, noting that it is standard practice for a regulator to levy the regulated community and entities to cover the cost of its regulatory activities.

Overview of the Proposed Interment Services Levy

From 1 July 2024 the interment services levy is proposed to be expanded to include all active cemetery and crematoria operators in NSW. The interment services levy is a levy on interment services to (100%) fund the cost of Cemeteries and Crematoria NSW (the regulator) to support and regulate the sector appropriately.

The government has set out its strategic directions for the state's cemeteries and crematoria in the document; *Delivering strong consumer and community outcomes for Cemeteries and Crematoria in NSW*. The aim is to ensure that every person in NSW has accessible, sustainable, and affordable burial and cremation services into the future. A copy of the document is included as **Attachment 1**.

The strategic statement focuses action on priority areas including:

- Active and strong consumer protection for customers and communities, ensuring quality services by embedding licensing standards and more effective regulation for industry, and conducting research to identify emerging trends and initiatives for continued improvements.
- Supporting sustainable burial practices and identifying more cemetery land to address a shortage of burial space, including more efficient use of existing cemeteries and exploring other interment options.
- Providing certainty for managing Crown cemeteries by finalising a two-operator model with Metropolitan Memorial Parks and a successor to the Catholic Metropolitan Cemeteries Trust, to support industry, staff and consumers and ensure community needs are met.

The NSW Government considers that an effective and properly resourced regulator is essential to achieving the strategic aims. The existing industry levy, which has been in place since 2014 only applied to two (2) Crown operators which is considered insufficient and results in inequity across the sector.

Cost of the Interment Services Levy

The changes to the levy are based on the cost of regulatory oversight of the sector. From 1 July 2024, it is proposed to introduce a levy of:

- \$41 per cremation;
- \$63 per ash interment; and
- \$156 per burial, will be applied to all operators.

Cemeteries and Crematoria NSW have confirmed that the Interment Industry Levy is being introduced to recoup 100% of their costs.

It should be noted that children under the age of 12 are exempt from the interment services levy, noting that children six (6) months and older are still subject to Inverell Shire Council interment fees (refer **Table 1**).

Impacts of the Levy to Council and the Community

The projected direct financial impact of the levy to the Inverell Community based 2022/2023 financial year equates to **\$17,799** consisting of:

- \$16,224 (104 Burials @ \$156 Proposed Levy)
- \$1,575 (25 Ash Interments @ \$63.00)
- Council does not provide cremations

The following table (**Table 1**) outlines the proposed Inverell Shire Council 2024/2025 cemetery fees and charges and includes the proposed NSW Government interment services levy. The table shows the total fees which would be from 1 July 2024 inclusive of Council fees and the NSW Government interment services levy. On the far right of the table the percentage increase is shown.

Table 1 – Interment Fees - Inverell Shire Council Fees and Interment Services Levy

TITLE OF FEE	PROPOSED INVERELL SHIRE COUNCIL 24/25 FEE	PROPOSED INDUSTRY INTERMENT SERVICES LEVY	TOTAL	PERCENTAGE INCREASE
INTERMENT – WEEKDAY				
Adult – Oversized coffin	\$1,320.00	\$156.00	\$1,476.00	11.82%
Adult – Standard size coffin	\$1,155.00	\$156.00	\$1,311.00	13.50%
Still born/child (6 months)	\$0.00	\$0.00	\$0.00	0%
Child 6 months – 4 yrs.	\$445.00	\$0.00	\$445.00	0%
Child 4 yrs. – 15 yrs.	\$1,155.00	\$156.00 (12 yrs.+)	\$1,311.00	13.50%
INTERMENT – WEEKEND/PUBLIC HOLIDAY				
Adult	\$1,782.00	\$156.00	\$1,938.00	8.75%
Still born/child (6 months)	\$0.00	\$0.00	\$0.00	0%
Child 6 months – 4 yrs.	\$610.00	\$0.00	\$610.00	0%
Child 4 yrs. – 15 yrs.	\$1,782.00	\$156.00 (12 yrs.+)	\$1,938.00	8.75%
INTERMENT – HAND DIGGING				
Adult	\$2,654.00	\$156.00	\$2,810.00	5.88%
Still born/child (6 months)	\$0.00	\$0.00	\$0.00	0%
Child 6 months – 4 yrs.	\$930.00	\$0.00	\$930.00	0%
Child 4 yrs. – 15 yrs.	\$2,654.00	\$156.00 (12 yrs.+)	\$2,810.00	5.88%
INTERMENT OF ASHES				
In existing grave	\$255.00	\$63.00 (12 yrs.+)	\$318.00	24.70%
Into Columbarium Wall Niche + Plaque at cost	\$190.00	\$63.00 (12 yrs.+)	\$253.00	33.16%
	Plaque at Cost + GST			

It is considered that Council is not in a position to absorb the proposed NSW Government’s interment services levy, therefore the costs will need to be passed on to the (consumer) community. Other financial considerations relate to staff time associated with collecting, processing, auditing and reporting of the proposed levy funds.

Local Government NSW Response

Local Government NSW, through the Cemeteries Network Group, have asked for feedback from Council in regards to the proposed levy. Local Government NSW has indicated their intention to oppose the levy being placed on Council cemetery operators.

On 5 April 2024, Local Government NSW distributed 10 questions to Councils to assist them in making a submission. Council staff have prepared responses to the 10 questions and provided them to Local Government NSW on 17 April 2024. A copy of the questions and responses are included in **Attachment 2**.

Discussion

Council staff have only had a short time to review the exhibition material associated with the interment services levy. Based on this review and consideration of the potential impacts of the levy, some initial broad comments are as follows:

- It is considered that Council is not in a position to absorb the proposed NSW Government’s interment services levy, therefore costs will need be passed onto the (consumer) community. Inverell is a regional community with generally a lower socio-economic profile than metropolitan areas.
- Other financial considerations relate to staff time associated with collecting, processing, auditing and reporting of the proposed levy funds through a portal system. At this stage it is difficult to quantify these financial impacts.
- The levy seems to be city focused with subsequent fees primarily used for the benefit of metropolitan areas. The number one (1) priority contained within the issues and trends section of the strategic document *Delivering strong consumer and community outcomes for Cemeteries and Crematoria in NSW* is “demand for and supply of interment sites in greater Sydney”.
- The reference to the levy being only a small percent of an interment relates to metropolitan areas. For example, the levy would represent less than 1.6% of the cost of a \$10,000 interment in the city. For Inverell (and other regional areas) the levy would more accurately represent an average closer to 10% of an interment.

- If the levy was introduced, it should consider other parameters including location, socio-economic profile of the community and localised costs of interment. The fees are not considered equitable.
- There is a genuine concern regarding the transparency of the levy and its expenditure, including how and where unspent funds will be dealt with.
- The timing of the introduction (1 July 2024) has no consideration to Council's budgeting cycle and advertising process regarding fees and charges.
- There is concern that regional Councils will see no specified on-ground physical benefits from the levy.

The consultation process is currently underway and closes 9 May 2024. There is an information session in Armidale on 2 May 2024. Council has staff booked in to attend the session and will have the opportunity to understand the position and views of other Regional Councils.

Council staff intend to make submission to NSW Department of Planning and Environment that Council does not support the introduction of the interment services levy being imposed on Council cemetery operators.

Conclusion

Council is requested to note the information contained within the report, noting that it is unlikely that Council will have any significant influence on the outcome.

Cemeteries and Crematoria NSW are now consulting on the proposed interment services levy and have invited submissions until 9 May 2024. While this is a particularly short time-frame, Council's Director Environmental Services will continue to monitor the consultation phase and stay informed of stakeholder, other Councils and industry feedback.

It is recommended that Council endorse the intent of a submission to Cemeteries and Crematoria NSW that opposes the levy being imposed on Council cemetery operators as generally outlined in the report.

Council's Director Environmental Services is available should any Councillor wish to discuss the submission prior to 9 May 2024.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

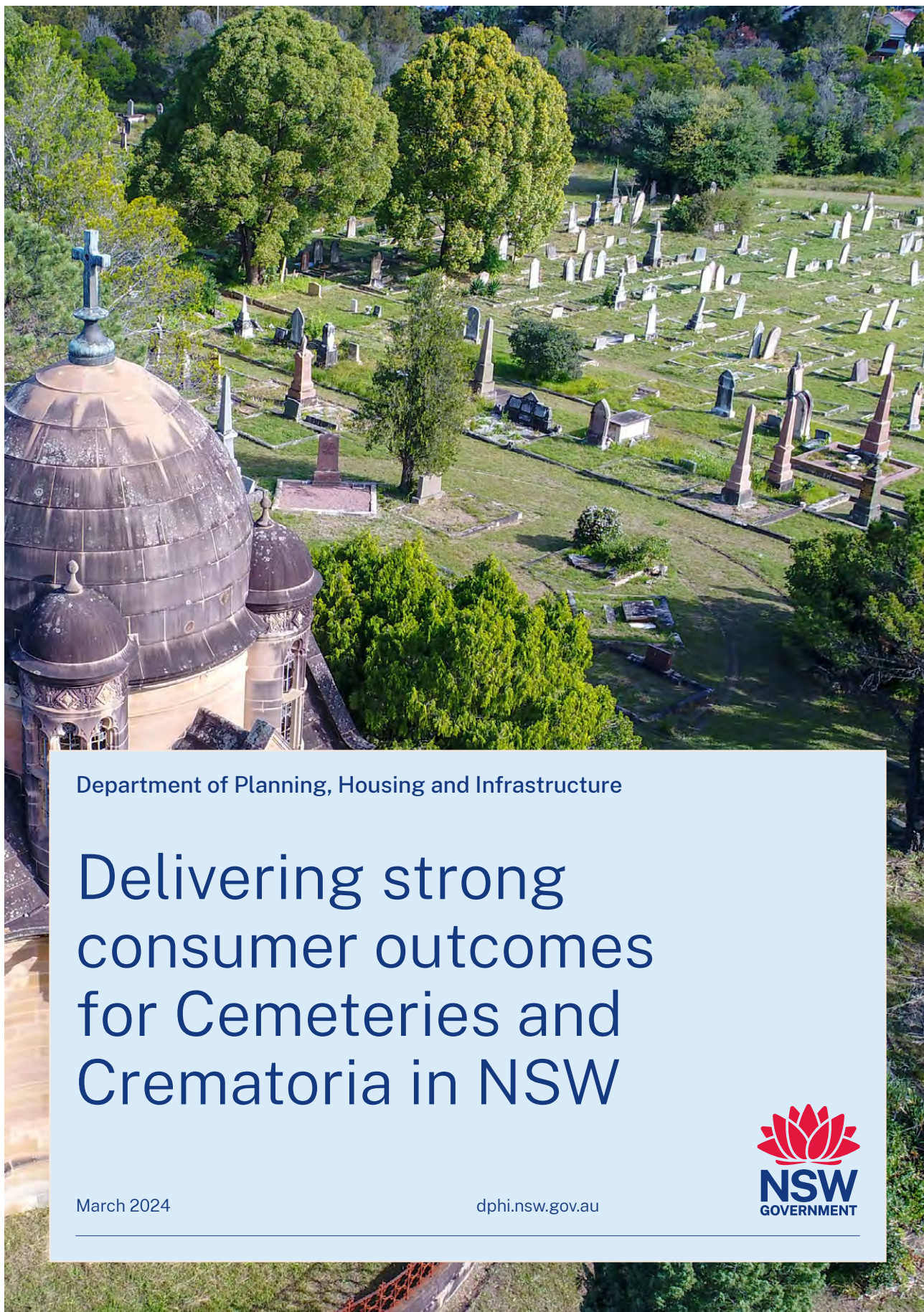
Council is not in a position to absorb the levy and it will need to be passed onto the community. Other financial considerations relate to staff time associated with collecting, processing, auditing and reporting of proposed levy funds. At this stage the full extent of costs to Council are difficult to quantify.

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

1. **Delivering strong consumer outcomes for Cemeteries and Crematoria in NSW** [↓](#)
2. **Inverell Shire Council response to Local Government NSW** [↓](#)



Department of Planning, Housing and Infrastructure

Delivering strong consumer outcomes for Cemeteries and Crematoria in NSW

March 2024

dphi.nsw.gov.au





Acknowledgement of country

The Department of Planning, Housing and Infrastructure 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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Artwork (above) by Nikita Ridgeway

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Minister's message

Safeguarding our cemeteries and crematoria in NSW for generations to come

I am pleased to present the NSW Government's Strategic Statement for cemeteries and crematoria, a transformative blueprint that reimagines the role of these services in our society.

Our mission is to ensure the best for our state and its people, to undertake genuine consultation and recognise both the urgency of the present challenges and the long-term commitment required to strengthen the cemeteries and crematoria sector.

Our vision is clear: every person in NSW deserves accessible, sustainable, and affordable burial and cremation services. It is our duty to honour diverse cultures and faiths while delivering compassionate, consistent, transparent, and accountable services. Whether for ourselves or our loved ones, we are determined to secure burial space for all those who seek it, providing a caring and ethical service during our most vulnerable times.

For far too long, cemeteries have been neglected, resulting in a critical shortage of burial space and poor interment offerings, particularly in Greater Sydney. Inconsistencies in customer care and standards of service have also plagued the industry and consumer protections have suffered. However, we have embarked on a new path to address these pressing challenges.

With the groundbreaking Interment Industry Scheme, we are ensuring improved consumer protections and consistent standards of service for customers across NSW. Additionally, we are excited to welcome the first new Crown cemetery in decades, located in Varroville, Sydney's southwest, boasting an impressive capacity of up to 136,000 burial plots. We are also proactively exploring supply options to meet future demands for burial space.

To streamline the planning process for new or expanded cemeteries with over 5,000 burial plots, the state will take the lead in a comprehensive and efficient planning assessment.

This strategic statement outlines three priority action areas that will guide our next phase of work:

1. Delivering strong consumer protection for customers and communities.
2. Promoting sustainable practices to encourage new supply.
3. Providing certainty for our Crown operators.

As was recommended by the statutory review and to ensure Cemeteries & Crematoria NSW can be the active and sustainable regulator we need them to be, we are proposing to build on the former Government's Interment Industry Levy to extend it beyond Crown cemeteries to all active cemeteries in NSW, driving equity and levelling the playing field in the sector. The levy represents a less than 1.6 per cent cost of a \$10,000 burial.

We extend our sincere gratitude to the operators of cemeteries and crematoria across NSW for their invaluable partnership as we shape the sector to better serve our customers and communities. We look forward to continuing our collaboration, striving to improve outcomes not just today, but for countless years to come. Together, we will embark on this visionary journey, transforming cemeteries and crematoria into beacons of solace, unity, and eternal remembrance.

The Hon Steve Kamper MP,
Minister for Lands and Property

Purpose of this Strategic Statement

This new statement of strategic directions outlines the NSW Government's priorities for cemeteries and crematoria in NSW and how we will strengthen consumer protections for people in NSW. Our purpose is to inform the sector and the community about the work underway, the vision for the sector and the benefits to both the sector and the community from this new transformative approach. It forms the basis of a partnership between government, industry and the community for a sustainable sector.

In 2020, the statutory review of the *Cemeteries and Crematoria Act 2013* was completed which included recommendations to better achieve the objects of the Act and address risks to consumers. Considerable progress has been made since then, some of which is outlined below. This strategic statement looks forward. It sets out the direction and priority action areas to continue to strengthen the cemeteries and crematoria sector in NSW.



Delivering strong consumer outcomes for Cemeteries and Crematoria in NSW

4

Current issues and trends

On average, there are around 58,000 bodily interments (burials) and cremations in NSW each year.¹ Across NSW, the private sector provides 63% of all burials and cremations, although in Sydney, the Crown sector performs the most burials.

1. Demand for and supply of interment sites in Greater Sydney

The 2022 NSW Population Projections show that Greater Sydney's population will grow to approximately 6.1 million by 2041 – an increase of over a million people. This population growth is expected to result in an estimated 588,708 deaths in Greater Sydney between 2022 and 2041. By 2041, this is an increase of over 11,000 deaths each year.² Greater Sydney boasts one of the most multi-cultural areas in Australia, a population made up of many different faiths, some of whom hold burial as an essential aspect of deeply held traditions and cultural and faith practices. The exhaustion rate of burials at existing Crown cemeteries for these faiths is at a critical level.³

An assessment done in 2019 found that at current burial rates, burial supply in metropolitan Sydney would be exhausted by 2047. That date has been extended because of the development of the first new Crown cemetery at Varroville, which will provide up to 136,000 burial plots. The dates when supply will be exhausted may also be further extended if cremation rates increase significantly. Cremation rates are currently at around 69% of people.⁴ Whilst the new Crown cemetery development is vital, we still need to make decisions to provide certainty of additional future supply to make sure we do not end up in this position again.

The Appendix outlines patterns of burials and cremations in Metropolitan Sydney and in regional NSW by the private sector, local government, churches, community and other groups, and the Crown.

2. Customer experiences

Decisions about interment services are high-stakes and often fast paced, meaning strong consumer protections are critical.

The unique nature of the interment industry and the time at which people seek interment services present challenges in ensuring a consistent quality in customer experience. The statutory review heard representations about the impact of poor practice amongst operators and the lack of customer understanding of interment services and products. The review highlighted the important and unique factors affecting people's experience of buying interment rights, the need for clear and consistent explanations of the different interment products available and the need to set and uphold minimum standards of customer service.

For most people who buy interment rights 'at need', the purchase is undertaken at a time of grief and in a time-sensitive environment. Purchasers are entering into a commitment that extends across generations and cannot easily be re-made or corrected, which heightens the stress and time pressure. The review also noted the relative lack of competition in the sector that might otherwise drive service quality, accountability and affordability across Sydney and regional NSW.

1 Based on Cemeteries & Crematoria NSW activity data reported by operators over 2019 to 2021.

2 2022 NSW Common Planning Assumption Projections

3 [Burial space supply in Sydney's Crown sector – audit overview \(nsw.gov.au\)](https://www.nsw.gov.au/burial-space-supply-in-sydney-s-crown-sector-audit-overview)

4 Cemeteries & Crematoria NSW 2021-22 activity data.



3. An effective regulator for the community and the sector

The statutory review also found that Cemeteries & Crematoria NSW needs to be a more effective regulator. It found that the agency needed to be strengthened and resourced to function as a proactive regulator capable of setting and maintaining customer protections and standards, with capability to identify, quantify and manage key risks for the NSW Government and ensure protections for customers and the community over the long term.

The review highlighted the need to develop the capability and capacity of the regulator and ensure appropriate levels of resourcing as critical areas for improvement in the oversight and regulation of the interment industry.

In each of these 3 areas, significant improvements have been achieved since the release of the statutory review. Cemeteries & Crematoria NSW has introduced a new

licensing scheme, known as the Interment Industry Scheme. The scheme sets standards across 5 critical aspects of interment services.

This is a fundamental step forward to ensure a consistent quality of service to customers during a vulnerable time of their lives. For the first time, all operators will be licensed. Customers will benefit from clear and consistent standards applied through the licensing scheme. However, there is more to do to make sure operators understand and are supported to embed these requirements, the regulator is strengthened to uphold the new standards across the industry and the benefits to the consumer are realised.

Our plan of action

Everyone will visit a cemetery or a crematorium and need burial or cremation services for themselves and for loved ones at some point in their lifetime. The NSW Government’s vision is that all people in NSW have access to sustainable and affordable burial and cremation services. These services should be respectful of culture and faith and be provided in a consistent, transparent, and accountable way.

Action areas

The NSW Government will focus on these 3 action areas to deliver the vision:



1. Delivering strong consumer protection for customers and communities.



2. Support sustainable practices to promote new supply.



3. Provide certainty for our Crown operators.

1. Delivering strong consumer protection for customers and communities



Buying an interment service is often a major decision for people, both emotionally and financially. Customers have diverse needs and are making lifelong decisions at a particularly difficult time – it is important that they understand what it is they are purchasing so that their requirements for burial and cremation are met. The new Interment Industry Scheme is licensing operators to ensure that:

- pricing, service, and contractual information is easy to find and understand
- options are presented for the cost, location, and type of interment service, including options that respect religious, cultural, and spiritual practices and cater to different budgets
- customers experience quality services that meet their needs and expectations.

Cemeteries & Crematoria NSW (CCNSW) – the sector’s independent statutory regulator, established in 2014 - developed and launched the Interment Industry Scheme in July 2023 which sets clear performance standards for all operators. CCNSW also has a risk-based [Regulatory Framework](#) in place which clarifies their approach to regulation, compliance and enforcement. The scheme requires operators to meet conditions for:

- **consumer contracts** – standard terms and conditions explained clearly so customers can understand what they are paying for and what the service will include. This will also help avoid issues years later when families are trying to understand what occurred and who is responsible for making decisions.
- **maintenance** – so customers are informed about the minimum standard they can expect of the cemetery where they are buying a service and their access to that cemetery.
- **clear pricing** – so customers can easily compare

prices, including detailed pricing breakdowns for basic services and products. Customers are required to be provided with the ‘basic’ price of a burial or cremation or ash interment offered by the operator so they know the baseline for any product they buy.

- **customer service** – to ensure operators are consistently providing quality services and care with requirements about adequate training for staff, having the right policies and principles in place, making customers aware of their consumer rights, and having proper complaints processes in place.
- **religious, cultural, and spiritual principles** – to ensure operators understand any religious or cultural requirements of their customers and where possible meet these requirements. For example, this would include understanding the unique importance of Sorry Business to Aboriginal people or that some religions require burial within a certain timeframe. It is important that operators who have different faiths buried in their cemetery understand when certain holy days fall or if there are grieving milestones at particular times after the death.

These conditions for operators will help families make informed choices about the burial or cremation of their loved ones, at one of the most challenging times of their lives.

To give customers further confidence in the industry, the NSW Government will ensure cemeteries and crematoria are operated, maintained and regulated in a consistent, transparent, and accountable way.

This includes ensuring operators remain financially sustainable and that they effectively manage their income, liabilities, and provision for the ongoing maintenance of perpetual interments.

Other legislative changes to ensure the legislation is modern and fit for purpose will also be considered.

1. Delivering strong consumer protection for customers and communities



NSW Government actions

To ensure the industry continues to meet evolving customer and community needs, the NSW Government will:

- do more research to better understand customer needs and journeys, and emerging market trends and developments, and use this research to:
 - inform future industry guidance and regulatory responses
 - support responses to emerging customer preferences and new technologies, such as natural burials
 - investigate and deliver more ways to help customers compare services across different operators
- continually monitor and evaluate the effectiveness of the Interment Industry Scheme, to ensure it delivers positive outcomes for customers
- regulate cemeteries and crematoria effectively to prevent risks and problems occurring and make sure issues raised by customers are addressed
- maximise the value of cemeteries as public spaces, in line with community needs and expectations, by supporting operators to:
 - access guidance on good cemetery design
 - deliver complementary multiple uses of cemeteries using place based and community driven approaches
 - improve the interpretation of historical, heritage and cultural values, including Aboriginal cultural heritage.

To give the community further confidence in the regulation of the sector, the NSW Government will also:

- develop a contemporary approach for the perpetual maintenance of cemeteries so that enough funding is set aside to ensure cemeteries are maintained into the future, even after they become inactive, with the intention to introduce a perpetual maintenance framework by mid-2025; and
- investigate legislative changes to modernise and streamline the *Cemeteries and Crematoria Act 2013*, including dealing with the transfer of interment rights over multiple generations, and supporting the other initiatives in this document.

2. Support sustainable practices to promote new supply



The NSW Government recognises there must be enough land available to meet future interment demand and address growing burial supply pressures, particularly in Greater Sydney.

Conventional interment practices, such as perpetual interment tenures, and traditional cemetery designs, require a lot of land. The cost of land in metropolitan areas such as Sydney is high. Land that may be suitable for new cemeteries is increasingly sought after for as-important high priority needs such as housing.

Efficient use of land

Finding ways to use current and future cemetery land more efficiently will be key to supporting a sustainable sector. Efficiency will also be necessary to alleviate current and future strains on available burial space, particularly in Greater Sydney.

Cemeteries are increasingly a source of green, open space, particularly in urban and high density settings. They give communities opportunities for passive recreation and social connection. Thanks to innovative design, cemeteries are important and peaceful spaces of reflection that draw people in from communities and encourage them to visit loved ones. Such cemeteries are also a place to celebrate our rich heritage and culture. The new cemetery scheduled to open at Varroville in 2025 is a new garden style design that will demonstrate this.

Cemeteries are an important part of the social fabric and infrastructure that communities need, like schools and hospitals. Recognising this, in 2022, the then Department of Planning and Environment introduced a state-significant development pathway that allows the state to lead assessment for cemeteries with over 5,000 burial plots. This will help address burial space pressures by streamlining the approval process for new greenfield cemeteries and major cemetery expansions.

NSW Government actions

While the NSW Government will continue to explore opportunities for future cemeteries on previously unused land (greenfield cemeteries), it will also:

- work with Crown cemetery operators to investigate ways to unlock more supply within and near existing Crown cemeteries in Sydney
- implement an exempt and complying development framework for certain minor ancillary works in existing cemeteries to streamline processes for development approvals
- recognise the need to plan for cemeteries and crematoria in regional land-use plans
- work with operators, religious groups, and other stakeholders to:
 - increase the availability and uptake of renewable tenure interment options, drawing on successful, long-standing practices in other Australian and international jurisdictions
 - consider options to allow families to use perpetual interment sites to bury multiple family members over time, reusing the graves for future generations of the same family
- investigate options to sensitively renew and repurpose older areas in cemeteries while continuing to preserve the perpetual bodily interment rights of those interred
- support operators to explore and adopt innovative emerging technologies and methods that have lower environmental impacts.

3. Provide certainty for our Crown operators



The NSW Government has a long-standing role in supporting cemetery and crematorium services on Crown land to ensure equitable, culturally appropriate, and affordable interment options for people of all faiths.

The NSW Government has committed to a model with 2 Crown cemetery operators to provide interment services now and into the future. One operator is the recently amalgamated Metropolitan Memorial Parks Land Manager (Metropolitan Memorial Parks). This was created through the July 2023 merger of:

- Northern Metropolitan Cemeteries Land Manager
- Southern Metropolitan Cemeteries Land Manager
- Rookwood General Cemeteries Reserve Land Manager.

The other operator will be the successor to the Catholic Metropolitan Cemeteries Trust.

NSW Government actions

To achieve this aim, the NSW Government will:

- provide certainty for the future of Metropolitan Memorial Parks by:
 - supporting the operator to explore new burial space supply options including investigating the potential to renew and reuse a section of Rookwood Cemetery and other cemeteries as part of sustainable interment practice
 - appointing Metropolitan Memorial Parks to manage the general crematoria site at Rookwood Cemetery once the current lease expires in 2025
- finalise the operating model for the Catholic Metropolitan Cemeteries Trust’s successor entity, ensuring a seamless transition and certain future for customers and staff
- support the new cemetery development at Varroville
- ensure the regulator is positioned to provide governance and oversight of the 2 Crown cemetery operators to deliver government objectives for the sector and model leading practice.

Changes to the interment services levy

We need an effective regulator to deliver the NSW Government's vision for the community of NSW and its statutory responsibilities including the initiatives outlined in this Statement. Cemeteries & Crematoria NSW is maturing from a reactive, administratively focused regulator, to a proactive regulator that drives sector performance, and upholds and improves consumer protections. It has taken the first important step of introducing the new Interment Industry Scheme to set the baseline standards expected across the industry.

To ensure the standards are upheld we need to invest in the regulator. This change requires adequate and sustainable funding. The existing industry levy was put in place by the former Government but initially applied to the 2 Crown operators only. It is insufficient and creates inequity across the sector. From 1 July 2024 the interment services levy is proposed to be expanded to include all active cemetery and crematorium operators. This will ensure equitable funding of an effective industry regulator. Under this proposal, all active interment service providers will share responsibility for effective and sustainable regulatory oversight of the sector.

Both the statutory review and the Independent Pricing and Regulatory Tribunal, in its review of interment costs and pricing, recommended an expanded levy, noting that it is standard practice for a regulator to levy the regulated community and entities to cover the cost of its regulatory activities.

The changes to the levy are based on the cost of regulatory oversight of the sector. From 1 July 2024, it is proposed a levy of \$41 per cremation; \$63 per ash interment and \$156 per burial will be applied to all operators. This represents a modest proportion of the cost of an interment. For example the levy would represent less than 1.6% of the cost of a \$10,000 interment (the average cost in metro areas). Operators will be consulted on how the levy should be best implemented. Cemeteries & Crematoria NSW will be consulting on the levy with the sector in the coming months.

The levy will be used to fund the cost of the regulator to support and regulate the sector appropriately. Dedicated staff will be available to engage with operators across the State to educate them on the requirements, monitor

compliance and work with the operators to ensure their systems and processes support consumers. With the expansion of the levy, Cemeteries & Crematoria NSW will be resourced to support and drive performance of over 300 operators and 1,500 cemeteries and crematoria to uphold and strengthen consumer protections at a critical time.

Customers and families will benefit through:

- transparent pricing that allows informed choices and greater awareness of options to address affordability;
- clear contract conditions and maintenance standards that let customers understand what they are buying now and the care and maintenance they can expect into the future;
- due respect for culture and faith for individuals and communities; and
- having confidence in the knowledge that safeguards are in place and will be properly monitored over time giving peace of mind to them and their loved ones.

Industry will benefit through:

- fair and consistent standards that can be understood and are implementable;
- education, training, and analysis of emerging trends so operators and staff are supported to meet standards, innovate, and provide great service;
- proactive risk-based regulation, and enforcement where needed, so that a few bad apples don't undermine the reputation of the sector as a whole; and,
- ensuring access to burial space into the future through more proactive planning and analysis of demand and supply trends across the industry.

Additionally, everyone benefits as cemeteries increasingly become sources of sustainable, open, multiple use spaces for the benefit of the whole community.

The sector has joined us on this transformation and we thank them for their contribution and willingness to continue on this journey as we shape the sector to better serve the people of NSW.

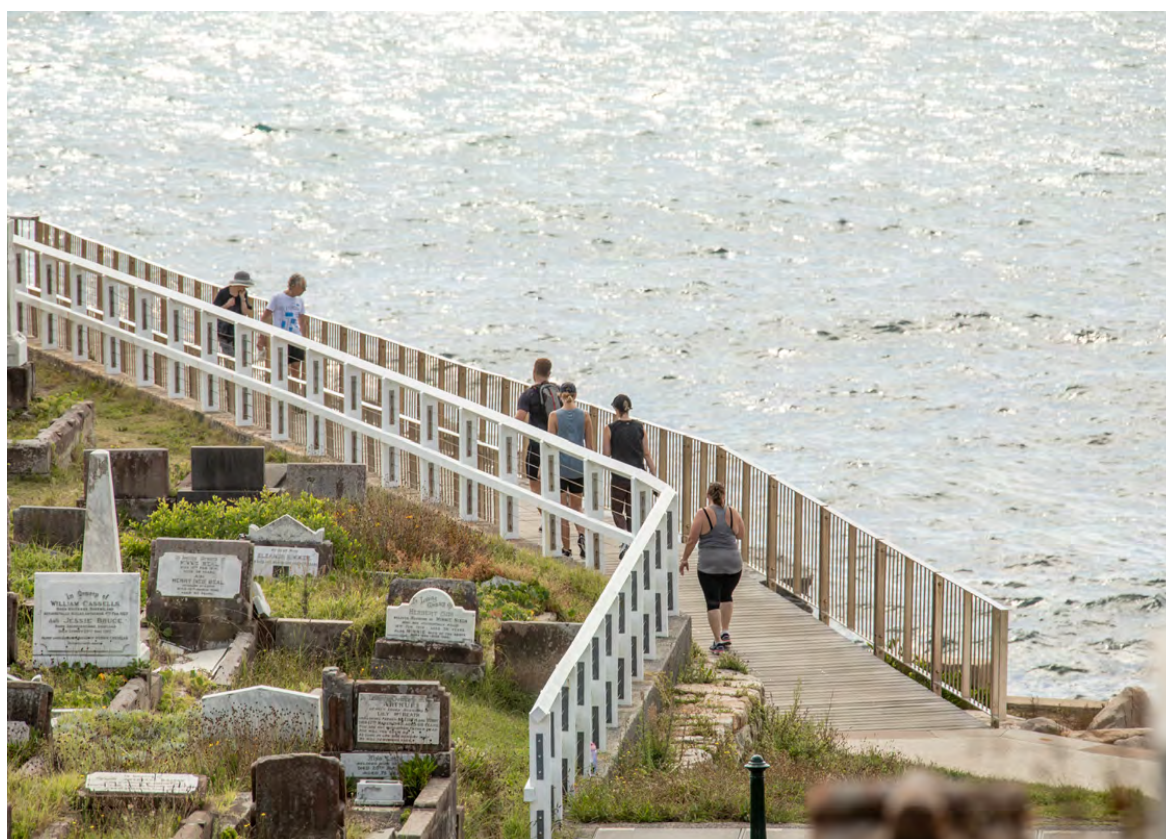
Monitoring, reporting and review

The NSW Government will protect and strengthen the state’s cemeteries and crematoria sector, acting across the 3 focus areas outlined above and working with operators and community.

The government’s actions will:

- create greater certainty for customers
- foster a sustainable Crown sector
- set clearer rules and standards for operators
- reduce pressure on burial supply in Greater Sydney.

Cemeteries & Crematoria NSW will report annually on progress against the actions in this statement on the [Cemeteries & Crematoria NSW website](#). The actions will also be reviewed periodically. Stakeholders will have an opportunity to give feedback to ensure the NSW Government realises its vision and aims for the state’s cemeteries and crematoria sector.



Delivering strong consumer outcomes for Cemeteries and Crematoria in NSW

Appendix

Sector	Metropolitan Sydney		Rural and Regional	
	Burial	Cremation	Burial	Cremation
Local government	10%	0%	83%	6%
Crown	69%	28%	3%	0%
Private	19%	72%	12%	94%
Church	1%	0%	2%	0%
Community and other	1%	0%	1%	0%

Table 1. Percentage of burials and cremations by sector and region as at 2021-22 (rounded)



Department of Planning, Housing and Infrastructure





Our Reference:S24.6.6/01

17 April 2024

Joanne Harney
Policy Officer
Local Government NSW
communitypolicy@lgnsw.org.au

Dear Joanne,

**INTERMENT INDUSTRY LEVY – FEEDBACK
INVERELL SHIRE COUNCIL**

In response to the request for feedback in relation to the Interment Industry Levy through the Cemetery Network Group, Council provides the following.

1. What is the impact of the levy for your council and community?

The direct financial impact of the levy to the Inverell Community based on the 2022/2023 financial year equates to **\$17,799** per annum consisting of:

- Burials - **\$16,224** (104 Burials @ \$156 for the Proposed Levy)
- Ash Internments - **\$1,575** (25 Internment @ \$63).

Council does not provide cremations.

Costs associated with the introduction of the proposed levy would need to be passed on to families. Other financial considerations relate to staff time associated with collecting, processing, auditing and reporting of proposed levy funds.

Concerning for Council would be the lack of transparency in the use of the collected levy funds much that same as those collected as part of the NSW State Government waste levy.

2. What are the issues for you regarding paying the levy quarterly or annually?

The issues for Council paying the levy quarterly and annually:

- Useability of reporting portal. There has been limited information provided in relation to the proposed reporting portal.
- There is limited information on the financial implications associated with levy and how councils are to hold the funds and subsequent auditing.
- How payments are to be made regarding debtors that are raised during the respective periods.



- Who makes the determination regarding the identified levy exempted persons?

3. What start-up/implementation issues would you see?

The start-up/implementations issues Council can see are:

- Additional staff resources.
- IT support to access the portal.
- Communication with the community regarding the levy.
- There has been limited information released in regards to the implementation of the proposed levy in general.
- As announced by Jennifer Hickey, CEO of Cemeteries & Crematoria NSW, the deadline for levy feedback submissions is 9 May 2024, with the levy coming into effect from 1 July 2024. Council's fees and charges come into effect 1 July 2024.

4. What supports would you suggest making administering the levy as straightforward as possible for you?

The potential of a delay in implementation of the levy to the beginning of the 2025/2026 financial year would give Council the time to delegate resources to appropriately incorporate it into Council's administration. A document should be supplied by CCNSW to explain to consumers, what the levy is, how the money is being used and how they can contact CCNSW for further information.

5. Does your council receive complaints or comments about the cost of burials or cremations? Could you estimate the percentage of the complaints that are about price of burials or cremations?

Council does not engage with families of the deceased when coming into contact for at-need interments. Council staff usually speaks with the funeral director on their behalf, therefore we do not generally receive direct complaints regarding the cost of interment. However, Council does directly organise pre-need interments or reservations. Around 90% of consumers who are wanting to purchase a reservation do comment on the high cost, and even though the interment sites will not incur a fee under the proposed levy, the cost for an interment site is an addition to the interment if the deceased does not hold a reservation.

6. Has your council sold many pre-need interments and if so, how many?

Inverell Shire Council currently holds a contract with 904 pre-need interments (reservations), with 59 of those commencing in 2023.

7. Has your council currently drafted or exhibited its fees and charges for 2024-25 FY? If so, what stage is your council at with finalising your fees and charges?

Council has drafted the fees and charges for the 2024-2025 financial year. They will be considered by Council on the 24 April 2024. The fees and charges will be exhibited for 28 days commencing 2 May, and endorsed at the June 2024 Council meeting.



8. When does your council normally start budget planning for their fees and charges for the next financial year?

Council starts their budget planning process in February, to be ready for a 1 July implementation.

9. How will the additional administration of the levy be resourced in your council?

The administration of the levy will be an additional responsibility of Council's current administration officers.

10. Any other additional information on how this levy will affect your council operations/ cemetery operations and community members

The timing of the introduction of this levy is at a great inconvenience. Council has an annual budget of \$28,000 for all cemetery maintenance and works. Council is unable to absorb this cost as the estimated levy payable to CCNSW would deplete most of Council's allocated budget.

In the event that the levy is introduced and passed onto the consumer, Council would have to present the amended fees and charges to Council, have it re-exhibited for 28 days, then to endorsed by Council for the adoption of those changes. This process takes around two (2) months, during which Council would have to wear the charges of any occurring interments.

Yours faithfully,

A handwritten signature in black ink, appearing to read "Alliston".

ANTHONY ALLISTON

DIRECTOR ENVIRONMENTAL SERVICES

10.2 EMERGENCY SERVICES LEVY REFORM**File Number:** S12.13.1 / 24/13214**Author:** Paul Pay, Director Corporate and Community Services**SUMMARY:**

The NSW Government has issued a consultation paper on reforming the emergency services funding system. Council is asked to consider if they wish to make a submission on the consultation paper.

RECOMMENDATION:

That Council make a submission on the consultation paper for reforming the emergency services funding consistent with the LGNSW policy position on the Emergency Services Levy.

COMMENTARY:

On Thursday, 16 November 2023, Premier Chris Minns announced proposed reforms that will overhaul state-wide funding for the State Emergency Service.

The NSW Emergency Services Levy will be cut from insurance premiums as part of a reform plan announced by the Premier 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.

The attached consultation paper (**Attachment 1**) is the beginning of public consultations to inform the design, scope, features and transition arrangements for reforming the emergency services funding system.

Currently, NSW’s emergency services are funded by the Emergency Services Levy on insurance companies (73.7 per cent), Local Governments (11.7 per cent) and the State Government (14.6 per cent). These fund the costs of Fire and Rescue NSW, NSW Rural Fire Service and the NSW State Emergency Service.

The NSW Government is seeking feedback on the consultation paper by 5pm on Wednesday, 22 May 2024. Submissions should focus on any or all of the following questions raised in the consultation paper:

- 1) Do you agree with the design principles of cost recovery, equity, efficiency, simplicity and sustainability for the replacement levy?
- 2) Which of the four revenue base models – capital improved values, unimproved land values, gross rental values and a fixed charges model – should be used to design the replacement levy?
- 3) Which of the current revenue sources for emergency services agencies should be replaced?
- 4) Should different levy rates be applied to:
 - different property types, such as residential, commercial or farmland, or
 - properties in different locations?
- 5) What protections are necessary for pensioners and other vulnerable cohorts?

- 6) How should a levy collected each year reflect changing funding needs for emergency services?
- 7) Should revenue from a replacement levy be collected by local governments or by the State Government through Revenue NSW?
- 8) What arrangements should be put in place to ensure that the removal of the current Emergency Services Levy is passed on in lower insurance premiums? How long should the transition take? What other transitional arrangements should be considered for the reform?

Cr Darriea Turley AM, President of LGNSW wrote to each council encouraging all councils to make a submission. Cr Turley's email to Council's General Manager, Mr Brett McInnes is shown below for the information of Council.

Dear Mr McInnes,

The NSW Government has now released a consultation paper on reforming the emergency services funding system.

In good news for our sector, this consultation paper asks for feedback on whether the Emergency Services Levy (ESL) on councils and insurance policies should be replaced. The paper notes that:

Council contributions to emergency services funding further complicate the current funding system. Transitioning these contributions into the replacement levy could make the system much simpler.

It is a longstanding position of LGNSW that the ESL on councils is inequitable, and it does not apply consistently, fairly or transparently across councils. We have long called for the ESL to be replaced by a broad-based property levy, which would remove this multi-million dollar impost on local government.

LGNSW also supports removal of the ESL on insurance policies, which has the potential to lower insurance costs and reduce underinsurance in the community.

The NSW Government is seeking feedback on design features for the replacement levy, protections for vulnerable cohorts and collection models.

This review has the potential to achieve significant benefits for local government. It is important that all councils engage in this critical consultation, and I strongly encourage each council to also make a submission directly to the review.

LGNSW would also welcome council feedback to inform our submission on behalf of the sector. To contribute to LGNSW's submission, please email LGNSW Chief Economist Shaun McBride at shaun.mcbride@lgnsw.org.au by 15 May 2024.

Consultation direct to the NSW Government closes 22 May 2024.

Yours sincerely,

Cr Darriea Turley AM

President

It is recommended that Council prepare a submission on the consultation paper consistent with the LGNSW policy position as noted above.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

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 Council's rate notices. The proposal was scrapped at the eleventh hour after Councils had spent considerable resources updating financial systems to accommodate the new levy.

The financial impacts on Council of any reform are not yet known. Finance staff will continue to monitor the reform process and will inform Council of any budgetary impacts by further reports to the Economic and Community Sustainability Committee.

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

1. **Emergency Services Funding Reform Consultation Paper April 2024** [↓](#)



Reforming the emergency services funding system

Consultation paper

10 April 2024

Acknowledgement of Country

The New South Wales Treasury acknowledges the Traditional Custodians of the lands where we work and live. We celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of New South Wales.

We pay our respects to Elders past, present and emerging.

About this consultation paper

Reforming the emergency services funding system

Published by the New South Wales Treasury on behalf of the Hon Daniel Mookhey MLC, Treasurer and the Hon Jihad Dib, MP, Minister for Emergency Services.

www.treasury.nsw.gov.au

First published: 10 April 2024

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Foreword

Protecting everyone

Our emergency services protect the lives and property of everyone in NSW.

NSW Treasury projects that the total cost of flood and bushfire to the economy is projected to increase from \$7 billion in 2020-21 to up to \$24 billion per year by 2070-71, in today's dollars.

Funding our emergency services is always important, and particularly so in this light.

Fair for everyone

The NSW Government believes that funding for emergency services in NSW can be made fairer, simpler, more efficient, and more sustainable.

Taxing only those who take out insurance, and thereby allowing those who are uninsured to avoid paying for emergency services through the Emergency Services Levy, is unfair. Worse, it discourages more people from taking up insurance – which further erodes the foundations of emergency services funding.

A system where everyone whose property is protected by emergency services would make a contribution to those services is not only possible, it is in place in every other mainland Australian state.

Working with everyone

The time has come for NSW to reform the emergency services funding system. But reform requires a clear objective, good faith and respect for all parties who will be affected by change.

The NSW Labor Government has learned from the mistakes of the former government, which did not proceed with its Fire and Emergency Services Levy in 2017.

The consultation process we begin today is designed to make sure that the emergency services funding system delivers the best outcome for everyone involved.

The NSW Government is seeking views from industry and the wider community on the principles for the reform, the revenue base model to be used, and the key design elements and arrangements for the replacement levy.

We encourage you to express your views and feedback on the NSW Government's 'Have Your Say' website.

The Hon Daniel Mookhey MLC
Treasurer

The Hon Jihad Dib MP
Minister for Emergency Services

1 Introduction

On 16 November 2023, the New South Wales (NSW) Government announced its commitment to reform the State's emergency services funding with three key objectives:

1. Reduce insurance costs for households by spreading the levy across all property owners.
2. Protect pensioners and vulnerable members of the community.
3. Ensure a revenue-neutral model that sustainably funds our emergency services agencies.

The current Emergency Services Levy on insurance funds services that benefit everyone but are only paid by some.

The existing Emergency Services Levy increases insurance premiums in NSW by about 18 per cent for residential property and about 34 per cent for commercial property.

The Emergency Services Levy funding requirements for our emergency services increase with climate change and the growing instances of natural disasters, making insurance more unaffordable.

Rising insurance premiums increase the cost of living for households and leads to underinsurance or an increasing number of households left at risk.

With natural disasters becoming more frequent, intense and unpredictable, the need for emergency prevention and response is growing. Finding a sustainable, broad and fair system is vital to ensuring the best emergency services to protect everyone.

The NSW Government has committed to reform the funding of emergency services to resource our fight against the increasing instances of natural disasters, and to more fairly spread the costs among property owners.

This consultation paper is the beginning of public consultations to inform the design, scope, features and transition arrangements of a reformed emergency services levy.

Have your say

The NSW Government would like your views and feedback on any or all of the following questions raised in this consultation paper:

1. Do you agree with the design principles of cost recovery, equity, efficiency, simplicity and sustainability for the replacement levy?
2. Which of the four revenue base models – capital improved values, unimproved land values, gross rental values and a fixed charges model – should be used to design the replacement levy?
3. Which of the current revenue sources for emergency services agencies should be replaced?
4. Should different levy rates be applied to:
 - different property types, such as residential, commercial or farmland, or
 - properties in different locations?
5. What protections are necessary for pensioners and other vulnerable cohorts?
6. How should a levy collected each year reflect changing funding needs for emergency services?
7. Should revenue from a replacement levy be collected by local governments or by the State Government through Revenue NSW?

8. What arrangements should be put in place to ensure that the removal of the current Emergency Services Levy is passed on in lower insurance premiums? How long should the transition take? What other transitional arrangements should be considered for the reform?

To give feedback, you can upload a submission at the NSW Governments 'Have Your Say' website.

Email questions about the consultation paper to the project team at ESFReform@treasury.nsw.gov.au

Submissions are open until 22 May 2024

We prefer submissions in an accessible format. Accessibility is about making documents easy to use for everyone, including people with disability. For more information on how you can make your submission accessible, visit <http://webaim.org/techniques/word/>

We may publish submissions

We may publish submissions. If you do not want your personal details or any part of your submission published, please say so clearly in your submission. An automatically generated confidentiality statement in your email is not enough.

We may refer to submissions upon the completion of the consultation. We will accept anonymous submissions if you do not want us to publish yours, or if you have concerns about safety or about your submission being linked back to you. We will refer to these in our report as anonymous submissions.

There may be circumstances where the NSW Government is required by law to release the information in your submission. For example, this may be in keeping with the requirements of the *Government Information (Public Access) Act 2009*.

2 Current funding of emergency services in NSW

The three NSW emergency services agencies, funded by the Emergency Services Levy, help NSW residents and businesses when natural disasters and other emergencies occur.

- Fire and Rescue NSW is responsible for the provision of fire, rescue and hazmat services in cities and towns across NSW.
- The NSW Rural Fire Service is responsible for combating bushfires in NSW and leads coordinated bushfire fighting operations across 95 per cent of the State’s land mass.
- The NSW State Emergency Service is responsible for responding to flood and storm emergencies in NSW, with a majority of rescue efforts in rural parts of the State.

The funding needed for our emergency services currently comes from insurance companies (73.7 per cent), local councils (11.7 per cent) and the State Government (14.6 per cent).

The NSW Government will remove the Emergency Services Levy currently imposed on insurance, and instead will distribute the levy across a broad base of property owners.

This change recognises that our emergency services agencies serve everyone in NSW, and there is a collective benefit in having these agencies fully funded, well prepared and well resourced.

NSW is the last mainland Australian state to rely on a levy on insurance to fund the cost of their emergency services agencies. Removing the NSW Emergency Services Levy will help insured households and businesses who are managing rising cost of living pressures.

In 2023-24, expenditure for the emergency services agencies is estimated at \$2.3 billion. Over the past five years, the costs of emergency services have increased by 42 per cent, or 18 per cent in real terms (see Table 1). The rapidly growing cost of the emergency services agencies is linked to the increasing number of major natural disasters, including due to risks related to climate change.

Table 1: Emergency services agency expenditure from 2018-19 to 2023-24 (nominal \$ million)

Agency	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Fire and Rescue NSW	868	909	915	986	1,086	1,107
NSW Rural Fire Service	617	910	630	574	706	808
NSW State Emergency Service	115	142	173	201	255	357
Total	1,600	1,962	1,719	1,760	2,047	2,273

Source: NSW Budget Papers. Expenditure includes both expenses (including depreciation) and capital expenditure. The expenditure for 2023-24 is an estimate. Agency funding requirements do not include depreciation expenses, are net of self generated income, and therefore are lower than expenditure. The 2023-24 funding target for emergency services agencies is \$1.9 billion.

An overarching principle of the emergency service funding system reform is that only the revenue required to fund the emergency services is recovered by the new system. An outline of the current NSW funding arrangements for emergency services is in Appendix A.

3 The case for reforming emergency services funding

Placing the Emergency Services Levy on insurance is an unfair, inefficient, and unsustainable way to fund our emergency services. Removing the Emergency Services Levy imposed on insurance and instead distributing the levy across a broad base of property owners could create a fairer system that is cheaper for the majority of people.

The burden of paying for emergency services falls on households, especially those with mortgages

The largest share of funding of the NSW emergency services is provided by people who insure their properties, contents or other goods.

Generally, people who take on a mortgage must pay for property insurance under the conditions in their loan. People who do not insure their properties or other goods do not pay the Emergency Services Levy and make no direct contribution to funding emergency services.

The Emergency Services Levy is generally passed onto policyholders by insurers. It increases the price of insurance by adding to the base premium, and consequently also by increasing the price on which goods and services tax (GST) and stamp duty are levied. Table 2 shows that the Emergency Services Levy has increased the cost of residential property insurance by 18 per cent on average over recent years.

Table 2: How the Emergency Services Levy makes residential property insurance more costly

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Average
Percentage increase in premium	21%	17%	18%	21%	15%	17%	18%

Source: NSW Treasury calculations based on aggregated data on insurance premiums and Emergency Services Levy contributions by class of insurance. Estimates include the direct impact of the Emergency Services Levy on insurance premiums and the flow-on impact of the Emergency Services Levy as it increases the GST and stamp duty payable on insurance policies.

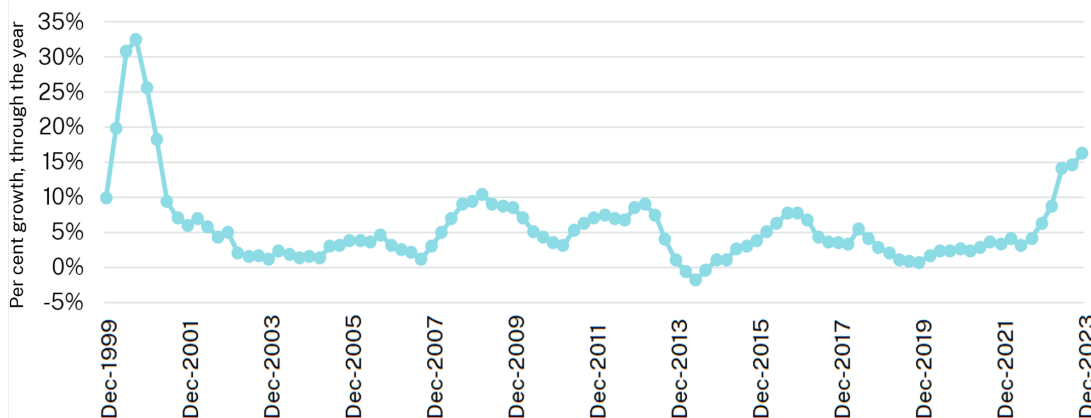
Home insurance premiums in NSW are estimated to be the third highest in Australia, below only cyclone-prone Queensland and the Northern Territory.¹ The current Emergency Services Levy also makes insurance premiums in NSW around 34 per cent higher on average for commercial property than would otherwise be the case.²

Insurance costs have been increasing rapidly in Australia over recent years, rising 16.2 per cent through the year to the December quarter 2023 – the strongest annual rise in more than two decades (see Figure 1).

¹ Actuaries Institute, *Home Insurance Affordability Update*, August 2023.

² NSW Treasury estimates based on data on insurance premiums and Emergency Services Levy contributions by different classes of insurance. Estimates include the direct impact of the Emergency Services Levy on insurance premiums and the flow-on impact of the Emergency Services Levy as it increases the GST and stamp duty payable on insurance policies. The Emergency Services Levy component of individual insurance policies is likely to vary depending on insurance provider or type of insurance.

Figure 1: Australian insurance costs have grown rapidly in recent years



Source: Australian Bureau of Statistics, Consumer Price Index, Australia, December Quarter 2023.

The higher payment burden raises underinsurance and non-insurance

The latest available *Household Expenditure Survey* from the Australian Bureau of Statistics indicates that 35 per cent of NSW households did not have contents insurance and 5 per cent of homeowners did not have building insurance. Table 3 shows the rates of non-insurance in NSW among different groups of households.

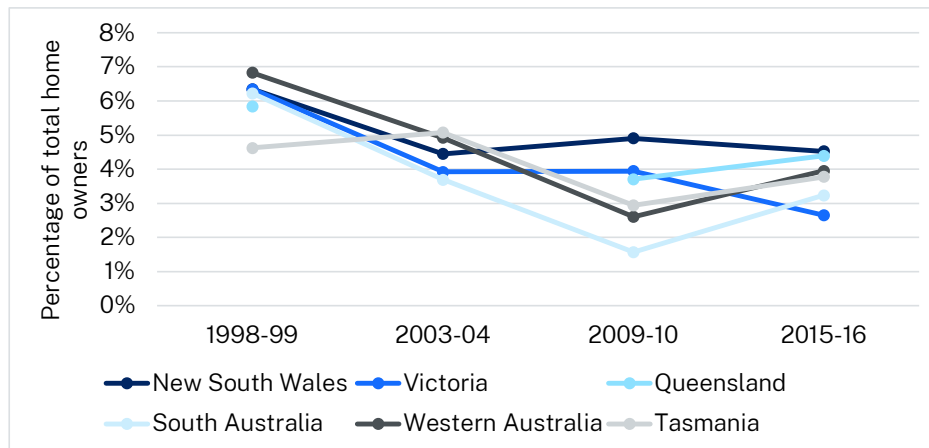
Table 3: Proportions of households in NSW without insurance

Households	Building	Contents
Owner without a mortgage	3.9%	15.6%
Owner with a mortgage	4.7%	16.7%
Total homeowners	4.5%	16.0%
Renter / Other tenure type		75.0%
Total		35.4%

Source: NSW Treasury calculations based on data provided by the Australian Bureau of Statistics, from the 2015-16 *Household Expenditure Survey*. Figures for building insurance are restricted to the set of homeowners who do not pay body corporate fees.

Property owners in NSW have the highest proportion of buildings without insurance and are likely to have the highest level of underinsurance compared with other states (Figure 2).

Figure 2: NSW has the highest proportion of homeowners without building insurance



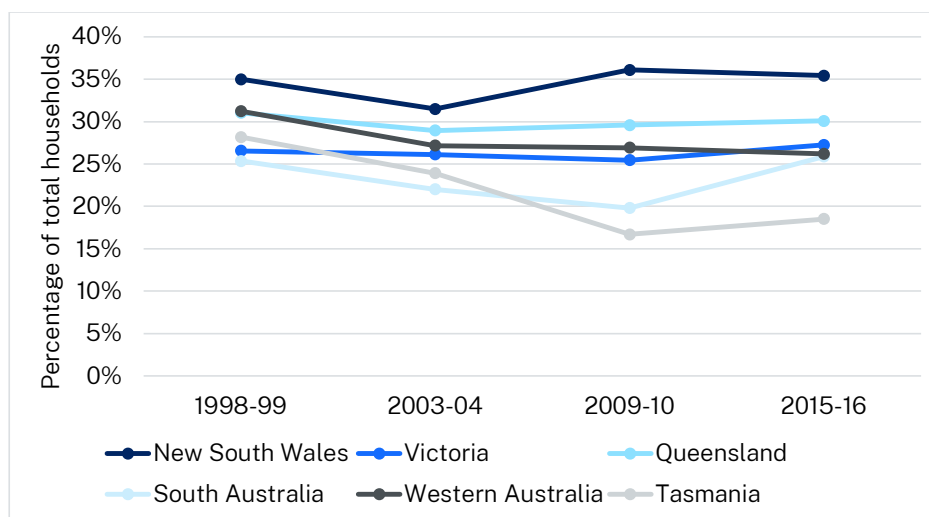
Source: NSW Treasury calculations using data supplied by the Australian Bureau of Statistics, Household Expenditure Surveys. The figures exclude homeowners who pay body corporate fees. Data are not available for Queensland in 2003-04, because of a small sample size.

States that have removed emergency service funding from insurance premiums have seen the proportion of uninsured buildings decrease relative to states that did not reform insurance levies over the same period (Figure 2):

- In Victoria, the number of property owners choosing not to insure their building declined significantly between 2009-10 and 2015-16. This coincided with the abolition of its insurance-based emergency services levy in 2013-14.
- South Australia and Western Australia abolished their insurance-based emergency services levies in 1999 and 2003 respectively.

Higher insurance costs also affect the amount of insurance households take out on their contents. NSW has persistently had the highest level of non-insurance for household contents across all states (Figure 3).

Figure 3: The proportion of NSW households without contents insurance is higher than any other State



Source: NSW Treasury calculations using data supplied by the Australian Bureau of Statistics, Household Expenditure Surveys.

Small business are victims too

NSW businesses have ranked insurance costs their number one issue in almost every business conditions survey conducted since 2019, including the first quarter of 2024³.

Small businesses have a lower capacity to self-insure than some large businesses, so high insurance prices can leave many small businesses exposed to risks. A May 2015 survey by the Insurance Council of Australia found 13 per cent of small businesses had no general insurance. Sole traders are often forced to take on more risk, with 24 per cent found to have no insurance.⁴

The pressure on households and businesses will increase unless there is change

The impact of the Emergency Services Levy on insurance costs is compounded by several underlying factors which raise prices.

More frequent and intense climate events increase demand for emergency services

The funding requirements of our emergency services agencies are expected to rise quickly with climate change and increased exposure to climate-related hazards. Without change to the current Emergency Services Levy system, this will further increase the cost of insurance and discourage insurance take-up. As the number of uninsured properties increases, the number of contributors to the emergency services funding is expected to decrease.

NSW Treasury modelling projects the total economic cost of floods and bushfires to rise from \$7 billion in 2020-21 to up to \$24 billion per year by 2070-71 (in real 2022-23 dollars).⁵ This is consistent with other Australian and international estimates that project costs to grow significantly over coming decades. For example, a report prepared by Deloitte Access Economics finds that disasters cost the Australian economy \$38 billion per year, on average, and that this cost is projected to rise to at least \$73 billion annually by 2060.⁶

Reinsurance costs are high globally making it harder for insurers to finance their policies

More frequent and intense climate change related events are making it more expensive to insure, particularly in areas where flood, fire and storm damage are most likely. Due to increased risks, reinsurance costs are high globally, making it harder for insurers to finance their policies.

Insurance companies around the world are finding it more difficult to access finance. Reinsurance is more difficult to obtain, and willingness to take on risk is low. All these issues can impact the cost of premiums locally. Adding the Emergency Services Levy on top of these cost pressures only exacerbates the problem.

A simpler system will be more transparent

Insurance companies disclose the component of a premium which is linked to their Emergency Services Levy liability for that policy and pass this cost on to consumers. However, the Emergency Services Levy liability calculation is complex. Overall, households and businesses lack visibility on the funding of emergency services and the cost of service provision.

- *Levy-payers* may find it challenging to understand the operation of the Emergency Services Levy due to its complex mechanism.
- *Insurance companies* have to forecast growth in volumes and values of their own policies as well as the market, and then ensure they recover the correct amount of the Emergency Services Levy

³ Business NSW, *March 2024 BCS Report, 2024* and Business NSW, *Insurance at the Speed of Business*, November 2023.

⁴ Insurance Council of Australia, *Non-Insurance in the Small to Medium Sized Enterprise Sector*, July 2015.

⁵ Flood costs include costs arising from riverine flood only; they do not include those arising from other disasters such as storms, hail, storm surge and earthquakes.

⁶ Deloitte Access Economics, *Special report: Update to economic costs of natural disasters in Australia*, Australian Business Roundtable for Disaster Resilience & Safer Communities, 2021.

from policyholders to meet their final contribution amount. These final contribution amounts are only known after the end of each financial year.

The complexity on the insurance side is mirrored in the systems for collecting revenue from councils. Each emergency services agency has different approaches to the allocation of costs between councils.

Previous reviews relating to the Emergency Services Levy

Numerous studies and investigations have provided commentary on how the Emergency Services Levy could be reformed. Three key sources are referenced below, with further details of the findings and recommendations outlined in Appendix B.

NSW Parliamentary Inquiry into Fire and Emergency Services Levy – 2018⁷

The Inquiry provided its findings and recommendations following its examination of the former government's failed implementation of the Fire and Emergency Services Levy (FESL). The Inquiry found that the former government did not have an adequate understanding of the complexities or impacts of the proposed reform. This resulted in the decision to indefinitely defer FESL, causing significant and avoidable costs to councils and the insurance industry.

The Inquiry recommended that, when developing a new levy, a government should:

- ensure that there is appropriate consultation with key stakeholders
- conduct full and transparent modelling of such a levy
- reintroduce an insurance monitor
- consider a range of issues before deciding to implement a new levy.

NSW Federal Financial Relations Review (Thodey Review) – 2020⁸

The Thodey Review found that insurance taxes are *inefficient*, as they raise insurance premiums and disincentivise consumers from insuring adequately. It also found they are *inequitable*, as there seems to be no link between insurance purchase and distribution of benefit from government expenditure on emergency services, creating a 'free-rider' problem.

The Emergency Services Levy in NSW was cited as having the most acute price and policy impacts relating to insurance taxes. These taxes increase the cost of insurance and therefore increase the likelihood that households and businesses choose not to insure or to underinsure. Thus, taxes on insurance increase the risk and exposure of less fortunate members of the community.

A broad-based property levy is much more efficient and equitable, the Thodey Review found. It would make insurance more affordable and ensure that all property owners pay to fund emergency services.

Australia's Future Tax System Review (Henry Review) – 2010⁹

The Henry Review found taxes on insurance add to the cost of insurance premiums and can lead to underinsurance or non-insurance. Low-income households are more likely to abandon insurance in response to higher premiums than high-income households. This can lead lower income households to bear more risk, despite being less well-placed to do so than people with higher incomes.

The Henry Review explicitly stated that fire services levies should be abolished. The review also noted the efficiency of land as a tax base.

⁷ New South Wales Parliament, Legislative Council, Portfolio Committee No. 4 – Legal Affairs, *Fire and Emergency Services Levy*, Sydney, 2018.

⁸ NSW Treasury, *NSW Review of Federal Financial Relations – Supporting the road to recovery – Final Report* (David Thodey, chairman), Sydney, 2020.

⁹ Henry, K, Harmer, J, Piggott, J, Ridout, H, and Smith, G, *Australia's Future Tax System, Report to the Treasurer*, Australian Treasury, Canberra, 2010.

4 Four revenue base models for emergency services funding

Principles for designing a replacement levy

The NSW Government seeks to design a replacement levy that is right for NSW with its development informed by industry and interested stakeholders in the wider community.

The proposed design principles to guide the reformed levy are:

- **Cost recovery:** Any levy will be set at a level sufficient to fund the cost of emergency services, and only collect the revenue required to replace current funding sources for emergency services.
- **Equity:** A replacement levy would fairly distribute the funding of emergency services across all property owners. A replacement levy can also be considered equitable if property owners in similar circumstances pay the same levy liability (horizontal equity) and property owners with a higher capacity to pay contribute more towards the funding of emergency services than those with a lower capacity to pay (vertical equity).
- **Efficiency:** An efficient levy minimises the unwanted impacts on levy-payers' economic decisions while still raising the required revenue.
- **Simplicity:** A simple and transparent levy is easy to understand, with low compliance costs. A simple levy is also easy to calculate, easy to pay and minimises the time and effort levy-payers need to dedicate to ensure they met their obligations.
- **Sustainability:** There is an ongoing need for the provision of emergency services by the State Government. Given this, any mechanism put in place to fund the emergency services agencies should have the capacity to reliably provide sufficient funds over the long term.

Question 1

Do you agree with the design principles of cost recovery, equity, efficiency, simplicity and sustainability for the replacement levy?

Four revenue base models

The revenue base is what the levy is applied to. This section considers four options: capital improved values, unimproved land values, gross rental values or a fixed charges model. The choice of revenue base model will affect how the burden of the replacement levy is distributed.

Although emergency services respond to motor vehicle call-outs, motor vehicles have not been included as an element of the proposed reform given the relative inefficiency of vehicle taxes as a revenue base. Moreover, as property owners generally own motor vehicles, a levy on property owners can also be considered as indirectly sourced from motor vehicle ownership.

Question 2

Which of the four revenue base models – capital improved values, unimproved land values, gross rental values and a fixed charges model – should be used to design the replacement levy?

4.1 Capital improved values

Capital improved values reflect the market value of the property and include the value of the land and buildings and other improvements. NSW uses capital improved values for transfer duties. But NSW does not keep a database of current capital improved values for any ongoing annual taxes. Developing such a database would require time and involve significant up-front costs. Valuation NSW has estimated that it could take five years to implement a capital improved values revenue base for over 3.5 million properties.

Both Victoria¹⁰ and South Australia¹¹ fund emergency services through a property levy based on capital improved values with both a fixed and variable component.

4.2 Unimproved land values

Unimproved land values reflect the value of land excluding the value of buildings or other structures and improvements. Land values are estimated regularly by the NSW Valuer General and are based on factors such as:

- the highest and best permitted use of the land based on zoning and planning restrictions
- land size, shape, features, location and views
- comparable sales.

In NSW, land values are used as the base for land tax and council rates.

The Australian Capital Territory uses a five-year average of unimproved (land) values for their rates, land tax and Police, Fire and Emergency Services Levy.¹²

4.3 Gross rental values

Gross rental value is an estimate of the rental income a property could earn if it was rented out for a year. Gross rental values are similar to using a capital improved revenue base, reflecting the market value of a property including both its location and the characteristics of the dwelling, including number of bedrooms and quality of the construction and finishes.

As with a capital improved revenue base, a gross rental value model would require NSW to develop a database of valuations for all properties in the State, with the associated lead time and cost. Gross

¹⁰ For the Fire Services Property Levy in Victoria, six different variable rates apply to residential, commercial, industrial, primary production, public benefit and non-residential vacant land, and two different fixed charges apply to either residential or non-residential land.

¹¹ For the Emergency Services Levy in South Australia, levy rates are adjusted for seven land-use categories (residential, commercial, industrial, rural, special community use, vacant and other) and four location categories.

¹² For the Police, Fire and Emergency Services Levy in the Australian Capital Territory, a fixed and variable charge is applied to all properties, with different variable charges applying to residential, commercial and rural properties.

rental values would have to be estimated across all properties, even for those which have never been rented out.

Western Australia¹³ and Tasmania¹⁴ use gross rental values as a property levy revenue base to raise revenue to contribute towards part of the cost of their emergency services.

4.4 Fixed charges model

A levy set as a percentage of any of the three revenue bases above could lead to a relatively wide variation in levies across properties. An alternative model that would reduce the variation in levy amounts could be based on a set of fixed charges. A tiered schedule of fixed charges would have properties with the lowest land values paying the smallest fixed charge, and properties with higher land values paying a higher fixed charge.

A revenue base model using only fixed charges could include different charges depending on:

- land use categories, such as residential, commercial, industrial and farmland, and
- the level of emergency services available (for instance, areas where the costs of services per property are higher could pay the highest levies).

All states and the Australian Capital Territory fund their emergency services using an element of fixed charge. Queensland alone uses only fixed charges and does not differentiate based on property values, land values or gross rental values. In Queensland, a fixed charge is applied to all properties based on their land use category (segregated into 16 groups) and level of fire services available (segregated into five classes).¹⁵

¹³ For the Emergency Services Levy in Western Australia, levy rates are adjusted for five location categories (metropolitan, metropolitan fringe, regional cities, country towns and rural areas) with a minimum and maximum levy based on land use categories (single residential, multiple residential, farming, commercial, industrial, vacant land).

¹⁴ The Fires Services Contribution in Tasmania is based on the assessed annual value of a property, which is the estimated yearly rental value of the property.

¹⁵ Each property is categorised into 16 levy groups, with Group 1 including largely vacant land, Group 2 residential property and Groups 3 to 16 different types of commercial and industrial properties by size and risk factor.

5 Other design elements for the reform

5.1 Replacing existing revenue sources

Question 3

Which of the current revenue sources for emergency services agencies should be replaced?

The Government remains committed that reforms to the Emergency Services Levy will be revenue neutral.

A levy that replaces insurance contributions would collect 81 per cent of the current funding cost of the emergency services agencies. The current Emergency Services Levy on insurers collects 73.7 per cent, and the associated insurance stamp duty provides a further 7.3 per cent through State Government general revenue.

The other revenue sources that currently fund the emergency services agencies are the 11.7 per cent from local government contributions and the additional 7.3 per cent from State Government general revenue that is distinct from the Emergency Services Levy associated stamp duty. The State Government contribution totals 14.6 per cent of emergency services funding consisting of the 7.3 per cent from Emergency Services Levy associated insurance stamp duty and 7.3 per cent from other general revenue sources.

For example, the emergency services agencies are estimated to require contributions of \$1.9 billion to fund their operations in 2023-24.

- \$1.4 billion, covering the Emergency Services Levy on the portion of insurance premiums that is attributable to the Emergency Services Levy (73.7 per cent)
- \$220 million, from council contributions (11.7 per cent)
- \$280 million, the State Government contribution (14.6 per cent).

Council contributions to emergency services funding further complicate the current funding system. Transitioning these contributions into the replacement levy could make the system much simpler.

According to analysis by the Actuaries Institute, removing the Emergency Services Levy from insurance policies could reduce insurance costs of a typical fully-insured home by \$387 per year.¹⁶

¹⁶ Actuaries Institute, *Home Insurance Affordability Update*, August 2023. This is a technical estimate of the cost of insurance and can differ from the actual premiums households pay.

5.2 Different levy rates for different property types and locations

Question 4

Should different levy rates be applied to:

- different property types, such as residential, commercial and farmland, or
- properties in different locations?

Residential, commercial and farmland

The replacement levy could be structured such that all properties with a common value (unimproved land value, capital improved value or gross rental value) incur the same levy liability. Alternatively, the replacement levy could apply different levy rates to different classes of property (for example, residential, commercial and farmland).

Currently, the insurance-based Emergency Services Levy results in a higher markup on insurance for commercial properties than for residential properties. These markups reflect insurers' assessment of the capacity of different customer types to absorb different insurance costs, including income tax deductibility of premiums.

Geographic zones

Some states have adopted a funding model in which the burden of the levy depends on the location of the property. Such an approach seeks to align the levy burden more closely with the cost of services provided.

5.3 Protecting certain households

Question 5

What protections are necessary for pensioners and other vulnerable cohorts?

The NSW Government is committed to developing protections that will reduce the impact of the replacement levy on certain groups, such as pensioners and other vulnerable groups. Currently, all states and territories with a levy to fund emergency services provide concessions for certain groups, such as pensioners.

Consideration could be given to providing concessions to asset-rich but income-poor groups such as pensioners. Concessions for these groups could be structured as:

- discounts on levy payments; or
- an ability to defer levy payments, with interest accruing in the deferral period.

More broadly, reform could include a hardship scheme for people who cannot make levy payments after meeting basic living expenses. Such a scheme could support not just households but also small businesses.

5.4 Determining the annual revenue target

Question 6

How should a levy collected each year reflect changing funding needs for emergency services?

A key design principle for the reform is cost recovery: the NSW Government should raise only the revenue needed to fund the State's emergency services.

Levy rates could be set each year to match the funding requirement of the emergency services agencies. Under such an approach, levy rates would be adjusted each year in line with changes in the expenditure of the emergency services agencies.

Alternatively, funding could be tied to historical funding requirements, or an average of the funding requirements over time.

Any misalignment between the revenue collected and the funding required in a given year could be adjusted in subsequent years to ensure that over the medium term, revenue collected aligns with the funding required.

5.5 Collecting the levy

Question 7

Should revenue from a replacement levy be collected by local governments or by the State Government through Revenue NSW?

Local governments collect council rates, which are levied on unimproved land values. Councils have established systems for billing, collecting rates, and collecting debts. Local governments could include a notice of a replacement levy assessment as part of their council rates assessment notices.

The 128 councils in NSW use a range of different software and platforms. Changing these systems to deal with a replacement levy – and then training staff on the changes – may add cost and complexity first to the transition, and then to the levy's ongoing administration.

Revenue NSW is the State's primary revenue collection and debt recovery agency. It could collect a levy using one integrated system to issue levy bills and refer to debt recovery when required. The implementation and ongoing operations may be simpler without the need to coordinate and conduct assurance activities with 128 councils.

5.6 Transitional arrangements and monitoring of insurance prices

Question 8

What arrangements should be put in place to ensure that the removal of the current Emergency Services Levy is passed on in lower insurance premiums? How long should the transition take? What other transitional arrangements should be considered for the reform?

Smooth transition

Removing the current Emergency Services Levy on insurance should reduce property insurance premiums significantly. Given this, it is important that the reduction in insurance premiums does not happen in a way that encourages policy holders to delay renewals of their insurance and risk being uninsured until the Emergency Services Levy is removed.

In addition, there is a risk that some insured property owners could face paying the Emergency Services Levy on their insurance policy and then a replacement levy shortly thereafter.

Insurance companies and the NSW Government should work to design a transition away from the current system to avoid creating incentives to delay the purchase of insurance and to ensure the equitable treatment of individual property owners without passing the cost on.

Monitoring the insurance market

To address concerns that insurance companies would not fully pass on the benefit of removing the Emergency Services Levy to consumers, the NSW Government will establish an insurance monitor. The NSW Government will provide an avenue for seeking further information about the removal of the Emergency Services Levy and the savings that should be passed on and will help deal with individual complaints on specific insurance policies.

While the removal of the Emergency Services Levy is a significant aspect of this reform, the NSW Government also wants to hear feedback on other transitional arrangements that should be considered as part of the reform. These could include the period of transition, and any arrangements that may need consideration if council contributions are to be replaced by the levy.

Appendix A: Current funding arrangements

Funding for Fire and Rescue NSW, the NSW Rural Fire Service and the NSW State Emergency Service is determined each year by the Minister for Emergency Services in consultation with the Treasurer for the following financial year. The funding target is adjusted to compensate for deficits and surpluses in the previous financial years.

Under legislation, insurers contribute 73.7 per cent of the required revenue, local government contributes 11.7 per cent, and the State Government contributes the remainder. In 2023-24, the total funding target for the three agencies was \$1.9 billion, with insurers contributing \$1.4 billion through the Emergency Services Levy, councils contributing \$220 million and the State Government contributing the remaining \$280 million.

Insurance contributions

The *Emergency Services Levy Act 2017* requires insurers to pay a contribution – the Emergency Services Levy – in respect of premiums for relevant classes of insurance. The Act also sets out the methods of assessment and calculation for these contributions.

The Emergency Services Levy on individual insurance companies is calculated based on their market shares of particular types of insurance.

Insurance companies generally recover their contributions by imposing a surcharge on policy holders’ premiums. The surcharge is usually described as Emergency Services Levy on insurance policies. Both GST and stamp duty are then charged on the sum of the base premium and the Emergency Services Levy.

The Emergency Services Levy not only directly increases the price of insurance by adding to the base premium, but also increases the amount payable in GST and stamp duty. Table 4 below shows the impact of the Emergency Services Levy on the cost of residential and commercial property insurance over recent years.

Table 4: Impact of Emergency Services Levy on insurance premiums

Type of insurance	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Average
Commercial property insurance	33%	37%	35%	38%	31%	31%	34%
Residential property insurance	21%	17%	18%	21%	15%	17%	18%

Source: NSW Treasury calculations of the percentage increase in premium based on aggregated data on insurance premiums and Emergency Services Levy contributions by class of insurance. Estimates include the direct impact of the Emergency Services Levy on insurance premiums and the flow-on impact of the Emergency Services Levy as it increases the GST and stamp duty payable on insurance policies.

Local government contributions

Local council contributions provide 11.7 per cent of the Funding Target for the three emergency services agencies. For each of the three emergency service agencies, a different methodology is used to determine the amount to be contributed by individual local governments, according with provisions in each respective Act.

For Fire and Rescue NSW, the basic principle is that each local government area makes a contribution based on the cost of the fire and rescue service provided within its area:

- Fire and Rescue NSW estimates its spending in each local government area (LGA).
- Spending for the Greater Sydney area is allocated to local councils based on the previous five-year average land values.
- Spending for regional areas is allocated to local councils based on the previous year’s portion.

- Each year, adjustments are made to reflect changes such as new fire stations, changes in fire station permanent staffing, and boundary changes between councils.

In some areas, multiple LGAs are grouped into a single fire district. These include the Sydney, Lower Hunter and Newcastle Fire Districts. In these fire districts, each individual council's contribution to the fire district estimated expenditure is based on the value of rateable land in the respective LGA. The apportionment of contributions is determined by the five-year rolling average of aggregate land values in each LGA, as advised by the NSW Valuer General.

For the NSW Rural Fire Service, each relevant council's contribution is based on their historic 20-year average share of expenditure, which reflects the cost of services provided within each council's area. The NSW Rural Fire Service does not operate in the urban core of Sydney but covers large parts of the Greater Sydney area.

In the case of the NSW State Emergency Service, each local government's contribution is based on its population.

Appendix B: Previous reviews relating to emergency services funding

NSW Parliamentary Inquiry into Fire and Emergency Services Levy – 2018

The Parliamentary Inquiry into the Fire and Emergency Services Levy (FESL) produced the following findings and recommendations.

Finding 1

That the failed implementation of the FESL was a poor public policy decision, undertaken without adequate understanding of the complexities of the issue or the impacts of the proposed reforms.

Finding 2

The failed implementation and late deferral of the FESL has caused significant and avoidable costs to local government and the insurance industry.

Recommendation 1

That the NSW Government provide greater oversight and accountability to ensure that the budgets for fire and emergency services agencies are appropriate.

Recommendation 2

That NSW Treasury continue to work to minimise the number of 'known unknowns' and conduct a full, and transparent re-modelling of any new emergency services funding levy.

Recommendation 3

That the NSW Government consider making Revenue NSW responsible for administering any new emergency services funding levy.

Recommendation 4

That no future NSW Government should move to implement a new emergency services funding levy unless it considers:

- use of capital improved value of land for calculation of levy
- differential levy rates, fixed charges, discounts and caps
- better aligned land classifications between council and the levy
- inclusion of motor vehicles
- the removal of the 11.7 per cent contribution by councils
- addressing the impact of the levy on lower socio-economic households which are currently unable to afford building and contents insurance.

Recommendation 5

That the NSW Government ensure appropriate consultation with key stakeholders during the development or re-modelling of any new levy.

Recommendation 6

That the NSW Government revisit the role and funding arrangements for the Emergency Services Levy Insurance Monitor to ensure that, if the FESL is re-introduced, the Monitor's role continues past June 2020.

NSW Federal Financial Relations Review (Thodey Review) – 2020

The Thodey Review made the following recommendations.

Recommendation 10: “All specific taxes on insurance products, including the Emergency Services Levy in New South Wales, should be abolished and replaced by more efficient and broad tax bases, to improve the affordability and uptake of insurance.”

Recommendation 11: “To reduce the cost of insurance and enable fairer ways to fund the fire and emergency services, the Government should reconsider applying a levy on property owners and should also consider combining this with any future broad-based land tax. The reform should follow a detailed consultation and modelling process to carefully consider the impacts on different taxpayers.”

Australia’s Future Tax System Review (Henry Review) – 2010

The Henry Review conducted for the Australian Government made the following findings on insurance taxes:

“Australia has high taxes on insurance, both in comparison to other countries and to the way that other products and industries are taxed. Specific taxes on insurance add to the cost of insurance premiums and can lead to underinsurance or non-insurance.”

“Low-income earners are more likely than high-income earners to abandon insurance in response to higher premiums. The result is that they bear more risk themselves, although they are less well-placed to do so than people with higher incomes.”

Recommendation 79 of the Henry Review stated that:

“All specific taxes on insurance products, including the fire services levy, should be abolished. Insurance products should be treated like most other services consumed within Australia and be subject to only one broad-based tax on consumption.”

The Henry Review also noted the efficiency of land as a tax base:

“Land has the potential to be an efficient tax base for the States capable of delivering significant and sustainable revenues. Land is an efficient tax base because it is immobile; unlike labour or capital, it cannot move to escape tax. This means that economic growth would be higher if governments raised more revenue from land and less revenue from other tax bases. However, this efficiency is harmed if there are significant exemptions from land tax that encourage people to change how they use land.”

52 Martin Place
Sydney NSW 2000

Office hours:
Monday to Friday
9.00am to 5.00pm

E: ESFReform@treasury.nsw.gov.au
W: www.nsw.gov.au/have-your-say



10.3 INDOOR SPORTS NSW COUNTRY BBI INDOOR CRICKET CHAMPIONSHIPS

File Number: S12.22.1/17 / 24/13511

Author: Paul Pay, Director Corporate and Community Services

SUMMARY:

Council has received a sponsorship request from Sports Marketing Australia and Indoor Sport NSW to host the 2024, 2025 & 2026 Indoor Sports NSW Country BBI Indoor Cricket Championships. Further information is being sought to assess the request.

A supplementary report will be tabled for consideration by Council.

RECOMMENDATION:

That the supplementary report be received and considered.

COMMENTARY:

Council has received a sponsorship request from Sports Marketing Australia and Indoor Sport NSW to host the 2024, 2025 & 2026 Indoor Sports NSW Country BBI Indoor Cricket Championships. At the time of writing this report, only limited information on the event has been supplied to Council. Further information is being sought to assess the request.

It is envisaged that if further information is provided prior to the Council meeting a supplementary report will be prepared for consideration by Council.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

10.4 REFERRAL OF CONFIDENTIAL MATTERS

File Number: S13.5.2/17 / 24/13530

Author: Kristy Paton, Corporate Support Officer - Publishing

SUMMARY:

Referral of Confidential Reports.

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 - Appointment of Chairperson to Audit, Risk and Improvement Committee

Authority: *Personnel matters concerning particular individuals (other than councillors) (s. 10A (2) (a) Local Government Act 1993)*

Item: #13.2 - Inverell Shire Digital Connectivity Plan

Authority: *Commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it (s. 10A (2) (d(i)) Local Government Act 1993).*

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: Appointment of Chairperson to Audit, Risk and Improvement Committee.

Description: Council has called for expressions of interest for the position of chairperson to Council's Audit, Risk and Improvement Committee (ARIC). Council is requested to consider the applications and appoint a new chairperson to ARIC.

Reason: *personnel matters concerning particular individuals (other than councillors) (s. 10A (2) (a) Local Government Act 1993).*

Item: Inverell Shire Digital Connectivity Plan.

Description: NBN Local with the assistance of Council has prepared an Inverell Shire Digital Connectivity Plan. This plan is provided to Council for review and endorsement.

Reason: *commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it (s. 10A (2) (d(i)) Local Government Act 1993).*

11 INFORMATION REPORTS**11.1 PCG MEETING - INVERELL AQUATIC CENTRE REPLACEMENT**

File Number: S5.9.27 / 24/13069

Author: Anthony Alliston, Director Environmental Services

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 15 April 2024 for the Inverell Aquatic Centre Replacement.

Attachment 1 contains a copy of the minutes from the meeting held on 15 April 2024 for the information of the Councillors.

ATTACHMENTS:

1. **Inverell Aquatic Centre Replacement PCG Minutes - 15 April 2024** [↓](#)

**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 MONDAY, 15 APRIL 2024 AT 2.00PM**

PRESENT: Brett McInnes (General Manager), Cr Stewart Berryman, Paul Pay (Director Corporate and Community Services), Peter Atkinson (Project Manager) and Anthony Alliston (Director Environmental Services).

1 APOLOGIES

Greg Doman (Manager Environmental Health).

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Stewart Berryman
Seconded: Mr Brett McInnes

That the Minutes of the Inverell Aquatic Centre Replacement - Project Control Group Meeting held on 18 March, 2024, as circulated to members, be confirmed as a true and correct record of that meeting.

CARRIED

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

Nil.

4 BUSINESS ARISING FROM PREVIOUS MINUTES

Noted that no correspondence has been received to date regarding the grant application from the Federal Government.

5 MATTERS FOR DETERMINATION

5.1 ON-SITE ACTIVITIES

Peter Atkinson, Project Manager provided a further update regarding onsite activities and advised that the floor for the balance tanks is being poured Wednesday, 17 April 2024.

All wall/formwork for the 50m pool is underway.

Plumbing is almost complete on the eastern end of the main building and will be pouring concrete slab next week.

5.2 DESIGN REVIEW

Design review meeting was held Friday, 12 April 2024 – awaiting minutes from Otium, main issues related to galvanised structural steel certification.

Inverell Aquatic Centre Replacement - Project Control Group Meeting
Minutes

15 April 2024

5.3 SPLASHPAD COLOUR SCHEME

Colour scheme was provided to the PCG members and noted.

5.4 CONSIDERATION OF CLAIM 13

COMMITTEE RESOLUTION:

That the PCG unanimously support the payment claim number 13 for the amount of \$950,661.97.

5.5 ROYAL LIFE SAVING

The Royal Life Saving Desktop Safety Assessment was discussed noting that a number of items have been sent to Hines Constructions for actioning.

6 MATTERS WITHOUT NOTICE

Brett McInnes, General Manager requested that a focus be given to the BECA report in regard to energy consumption and determining the most appropriate PV solar system.

7 NEXT MEETING

To be advised.

The Meeting closed at 2.28pm.

11.2 STRATEGIC TASKS - 'SIGN OFF' - MARCH 2024

File Number: S4.13.2 / 24/13146

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 March 2024 tasks required to be undertaken are detailed below. Any of these tasks may be added to as Council becomes familiar with this new initiative.

Date	Compliance Requirement	Achieved/Not Achieved	Comments
1 March 2024	Valuer General to provide estimates of changes in the value of land for which supplementary valuations are required within one (1) month of date of request (LGA s513(2))	Achieved	

I confirm that the performance criteria as set out in the criteria for scheduled tasks have been met for the month of March, 2024. 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

11.3 LOCAL GOVERNMENT NSW ADVOCACY UPDATE APRIL 2024

File Number: S14.9.12 / 24/13166

Author: Brett McInnes, General Manager

SUMMARY:

Local Government NSW (LGNSW) has recently released an Advocacy Update Report.

COMMENTARY:

Local Government NSW has recently released its April 2024 Advocacy Update report.

The report provides a status update in regards to each of the advocacy priorities LGNSW has pursued in the 12 months since the NSW State Election.

A copy of the Advocacy Report has been included in **Attachment 1** for the information of Council.

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

1. LG NSW Advocacy Update April 2024 [↓](#)



Advocacy Update

April 2024



**ONE VOICE
FOR COUNCILS**

Working in partnership across our sector we have collectively achieved some substantial wins.

Just over one year on from the NSW State Election, I'm pleased to provide an update on progress towards our **2023-2024 Local Government NSW advocacy priorities**.

Thank you to the councils that have amplified our campaigns (from cost shifting to the Emergency Services Levy), informed our advocacy agenda through motions submitted to our annual conferences, and joined in united advocacy on these critical matters for our sector and the communities we represent.

Yours sincerely



Cr Darriea Turley AM
President



ROADS AND INFRASTRUCTURE

Asks	Outcomes
<p>We asked for a boost to needs based roads funding to respond to unprecedented damage</p>	<p>✓ Roads to Recovery funding has been doubled from \$500 million to \$1 billion each year, and annual Black Spot funding has seen a \$40 million increase. However, significant cuts to federal infrastructure funding are disappointing.</p> <p>In NSW, the new Regional Emergency Road Repair Fund has delivered \$390 million to rural and regional councils as at March 2024.</p>
<p>We asked the NSW Government to protect local government ownership of council water utilities and invest in them to bolster water security.</p>	<p>✓ In progress. In March 2024 the parliamentary inquiry into protecting water utilities from privatisation tabled its report recommending that the NSW Government:</p> <ul style="list-style-type: none"> • Consult extensively with councils to develop legislation to protect LWUs from privatisation, forced amalgamations and sell-offs. • Fund the Town Water Risk Reduction Program beyond Phase 2, determining the next phase of workstreams in consultation with the local water utilities sector.

FINANCIAL SUSTAINABILITY

Asks	Outcomes
<p>We asked for amendments to the rate peg methodology to prevent future financial shocks to the sector and to ultimately remove rate pegging.</p>	<p> IPART introduced a new methodology to more accurately reflect council costs, including an adjustment to fully cover the costs of any increases in the Emergency Services Levy. IPART has also advised it will consider whether there is a case for a special adjustment factor in a future rate peg for recent inflationary pressures.</p>
<p>We asked for the government to rebate increases in council Emergency Services Levy (ESL) contributions and replace the levy with a sustainable funding model.</p>	<p> In progress. While the NSW Government has ceased its rebates, councils now have a mechanism to recover the costs of any increase through the rate peg.</p> <p>Longer term, LGNSW is represented on the Treasurer's new taskforce seeking a sustainable funding model for funding emergency services beyond the ESL.</p>
<p>We asked for a public inquiry into cost shifting in NSW to address the financial sustainability of local government, with a view to ending cost shifting.</p>	<p> Following on from the release of LGNSW's cost shifting report, the Minister for Local Government initiated a parliamentary inquiry into the ability of councils to fund infrastructure and services. The inquiry will consider the impact of cost shifting and rate pegging on councils, reflecting the NSW Government's acknowledgment that cost shifting is a real issue.</p>
<p>We asked for legislative amendments to make clear that Rural Fire Service mobile assets (the 'Red Fleet') are vested in the Rural Fire Service.</p>	<p> In progress. The Opposition has introduced a private members bill into parliament in line with our advocacy. The Minister for Local Government has acknowledged the seriousness of our position by initiating a parliamentary inquiry into the assets and funding of the RFS.</p>
<p>We asked for fairness, transparency, integrity and certainty of grant funding to councils.</p>	<p> In progress. In May 2023 new legislation passed parliament aiming to bolster the integrity and transparency of NSW Government grant funding arrangements. The legislation will require most grant information to be made publicly available unless there is an overriding public interest against disclosure of the information.</p>

RESILIENCE TO NATURAL DISASTERS

Asks	Outcomes
<p>We asked for increased funding for betterment, early warning and monitoring and community recovery officers in councils.</p>	<p>✓ The second round of the Australian Government's \$200m annual Disaster Ready Fund is now proceeding, after the success of round 1 which delivered millions in funding for council betterment and risk reduction projects.</p> <p>The Australian Government's independent inquiry into Disaster Recovery Funding Arrangements is also considering options for betterment, risk reduction and resilience and is expected to issue a final report in April. The level of need is vast, and we will continue to call for greater investment in betterment.</p> <p>The Bureau of Meteorology will acquire, upgrade and integrate local and state government-owned rain and river gauges into its existing flood warning network.</p> <p>Disaster impacted councils across NSW also continued to receive funding for community recovery officers following severe flooding.</p>
<p>We asked for proactive strategies to respond to natural disasters and adapt to climate risks.</p>	<p>✓ The NSW Government has released its first State Disaster Mitigation Plan following close consultation with the local government sector. The plan includes a priority action for the NSW Government to investigate options to support resourcing and capability-building in councils by the end of this year. It also provides further detail on the first Disaster Adaptation Plans that are being developed in partnership with councils.</p>



ENVIRONMENT AND THE CIRCULAR ECONOMY

Asks	Outcomes
<p>We asked for policies and programs to achieve the 2030 greenhouse gas emissions reduction target of 50% and the 2050 net zero emissions target.</p>	<p>✓ In progress. The Climate Change (Net Zero Future) Act, which commenced in December, enshrines whole-of-government climate action to deliver net zero by 2050.</p> <p>The NSW Government is aiming to establish a Net Zero Commission in the first half of 2024.</p>
<p>We asked for reinvestment of 100% of the Waste Levy to funding priority infrastructure and waste programs</p>	<p>— While we are yet to see action on reinvestment of the Waste Levy, the NSW Government has foreshadowed a review of the Levy will take place this year, presenting a key advocacy opportunity for our sector.</p>
<p>We asked for amendments to the Biodiversity Offsets Scheme to make it fit for purpose and address issues of over- and under-regulation.</p>	<p>✓ In progress. The NSW Government is now considering its response to the review of the Biodiversity Conservation Act. Many of the recommendations of the review aligned with LGNSW’s advocacy, and the NSW Government response is expected in coming months.</p>
<p>We asked to protect koalas and their habitats and end logging in NSW native forests.</p>	<p>✓ In progress. The NSW Government has committed to creating a Great Koala National Park on the mid north coast, with \$80 million in funding.</p>



SKILLS AND LABOUR SHORTAGE

Asks

We asked for investment in **skills, training, professional development and cadetships** to support current and future local government workforce needs.

Outcomes



In progress. Some good initiatives have been rolled out, including grants for 74 councils for cadetships for the next generation of council planners, and fee-free training for councils and Joint Organisations to upskill and reskill staff in water operation roles.






RURAL, REGIONAL AND COMMUNITY HEALTH

Asks	Outcomes
<p>We asked for full implementation of the recommendations of the parliamentary inquiry into rural and regional health services.</p>	<p>✓ In progress. The NSW Government has committed to implementing the recommendations in full. A series of further parliamentary inquiries are monitoring progress.</p>
<p>We asked for increased funding for specialised youth and community wellbeing and mental health services to bolster resilience, particularly after disaster.</p>	<p>✓ In progress. The new State Disaster Mitigation Plan includes an action to develop a framework for social infrastructure and cohesion with a focus on natural hazard risk, which will detail funding needs.</p>



STRONGER COMMUNITIES

Asks	Outcomes
We asked for a local government Closing the Gap grant program.	 <p>In progress. The role of councils in has been recognised through LGNSW being invited as a signatory for the new NSW Partnership Agreement for Closing the Gap. However, council contributions have not yet been accelerated with NSW Government funding support.</p>
We asked for investment in community safety and crime prevention .	 <p>In progress. The NSW Government has announced \$12.9m for crime prevention initiatives such as expansion of youth action meetings in nine police districts and justice reinvestment grants. The NSW Government has also initiated an inquiry into community safety in regional and rural communities.</p>
We asked for council early childhood education and care services to be eligible for all new funding programs for that sector.	 <p>Council services have been eligible for new funding programs, including \$12 million for workforce skills and training for the early childhood sector.</p>
We asked the equitable distribution of arts and culture funding across NSW.	 <p>In progress. The remit of the NSW 24 Hour Economy Commissioner has been expanded beyond greater Sydney to the whole of NSW.</p> <p>The NSW Government has released a new Arts, Culture and Creative Industry Policy for NSW. While a promising start that makes multiple mentions of partnering with local government, the policy does not yet have associated funding.</p>



HOUSING AND HOMELESSNESS

Asks	Outcomes
<p>We asked governments to build 5,000 additional units of public and social housing each year for the next 10 years to contribute to addressing the homelessness and housing affordability crisis right across NSW.</p>	<p> Disappointingly, NSW is yet to see substantial investment in public and social housing after decades of neglect.</p>
<p>We asked for minimum targets for public, social and affordable housing.</p>	<p> NSW Government has committed that any properties on surplus government land will be subject to a mandatory minimum of 30% social and affordable housing.</p>
<p>We asked for a ministry solely dedicated to addressing homelessness and the housing crisis.</p>	<p> In progress. NSW now has a Minister for Housing and Homelessness, and a new agency (Homes NSW) to bring together maintenance, tenant services and homelessness support.</p>



PLANNING

Asks	Outcomes
<p>We asked the NSW Government to commit to councils being empowered to make decisions about development that affects their communities.</p>	<p> LGNSW remains concerned that the NSW Government is not working in genuine partnership with councils and communities to deliver density done well. Councils want to support housing growth in locations where their communities have been consulted and there is a plan for enabling infrastructure in place to support it.</p>
<p>We asked for local government not to be any worse off under future infrastructure contribution reforms.</p>	<p> The NSW Government amended legislation for state infrastructure contributions, again committing not to make changes to local contributions collected by councils. At the same time, the reforms established a grant funding stream of up to \$1 billion over ten years for councils to deliver local infrastructure.</p>
<p>We asked for urgent improvements to address issues with the planning portal.</p>	<p> In progress. While significant challenges remain, the NSW Government has prioritised addressing a backlog of issues, moved to limit the schedule of major changes to the Portal to reduce operational impact on councils and established new reference groups with councils to inform continuous improvement of the portal.</p>
<p>We asked for the government to address the issue of 'zombie developments' (delayed implementation of decades-old development consents).</p>	<p> In progress. The NSW Government has initiated a parliamentary inquiry into historical development consents, which will also consider policy and legal solutions to address concerns.</p>
<p>We asked for adoption of new accessibility standards for housing that have recently been inserted in the national construction code.</p>	<p> Disappointingly, NSW remains one of just two states that have not adopted the new standards.</p>

LOCAL GOVERNMENT NSW
 GPO Box 7003 Sydney NSW 2001
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11.4 SUMMARY OF DEVELOPMENT APPLICATIONS, CONSTRUCTION CERTIFICATES AND COMPLYING DEVELOPMENT CERTIFICATES DURING MARCH 2024

File Number: S18.10.2/17 / 24/13237

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 March 2024.

DEVELOPMENT APPROVALS, REFUSALS AND VARIATIONS DURING MARCH 2024

Development Approvals

<u>Development Application Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Development</u>	<u>\$ Amount</u>
DA-17/2024	Matt Baker Construction	89 Wolbah Close, INVERELL 2360	Carport	16,415
DA-18/2024	Abode Building Design	4051 Bundarra Road, INVERELL 2360	Shipping Container for Storage	2,200
DA-20/2024	Picton Bros Improvements	34 Harland Street, INVERELL 2360	Carport	29,990
DA-26/2024	Abode Building Design	7 Andrew Street, INVERELL 2360	Continued Use of a Covered Alfresco Connected to an Existing Dwelling.	9,900
DA-27/2024	Hunter Tech Services Pty Ltd	19 Wallangra Street, DELUNGRA 2403	Demolition of Existing Residence and Garage	112,783
Monthly estimated value of Approvals: March 2024			5	171,288

Development Amendments

Nil

Development Refusals

Nil

Variation to Development Standards Approved

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

The following details the variations to development standards approved during March 2024.

INFORMATION:

Nil

CONSTRUCTION CERTIFICATES APPROVED AND AMENDED DURING MARCH 2024

Construction Certificates approved by Council

<u>Construction Certificate Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CC-139/2023	Abode Building Design	1751 Elsmore Road, ELSMORE 2360	Dwelling	503,250
CC-1/2024	Abode Building Design	365 Fernhill Road, INVERELL 2360	Shed	77,000
CC-4/2024	Church Communities Australia Ltd	4188 Gwydir Highway, ELSMORE 2360	Child Care Facility - Earthworks only	30,000
CC-5/2024	Mrs Tania Lee Spalding	63 Wolbah Close, INVERELL 2360	Alterations and Additions to Existing Building	40,000
CC-6/2024	Mr James Gordon Tom	9 Froude Street, INVERELL 2360	Pool	10,000
Monthly estimated value of Approvals: March 2024			5	660,250

Amended Construction Certificates approved by Council

<u>Construction Certificate Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CC-22/2022/A	Mr Michael Bruce Mephram	12 Terry Drive, INVERELL 2360	Dual Occupancy	NIL
Monthly estimated value of Approvals: March 2024			1	NIL

Construction Certificates approved by Private Certifier

Nil

Amended Construction Certificates approved by Private Certifier

Nil

COMPLYING DEVELOPMENT CERTIFICATES APPROVED AND AMENDED DURING MARCH 2024

Complying Development Certificates Approved by Council

<u>Construction Certificate Number</u>	<u>Applicant</u>	<u>Property</u>	<u>Construction</u>	<u>\$ Amount</u>
CD-4/2024	Picton Bros Spanline	127 Brae Street, INVERELL 2360	Alterations and Additions	28,500
CD-5/2024	Abode Building Design	23 Bonnie View Place, INVERELL 2360	Additions to Existing Dwelling	110,000
Monthly estimated value of Approvals: March 2024			2	138,500

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 MARCH 2024:

Type of Consent	<u>No.</u>	<u>\$ Amount</u>
Construction Certificates – Council Approved	5	660,250
Construction Certificates – Private Certifier	NIL	NIL
Complying Development – Council Approved	2	138,500
Complying Development – Private Certifier	NIL	NIL
TOTALS	7	798,750

Estimated Value of Approvals issued in the financial ytd in: **2023/2024 (82) \$15,739,676**
2022/2023 (111) \$19,500,030

ATTACHMENTS:

Nil

11.5 ORDINANCE ACTIVITIES REPORT FOR MARCH 2024

File Number: S18.10.1 / 24/13250

Author: Robyn Waters, Administration Officer

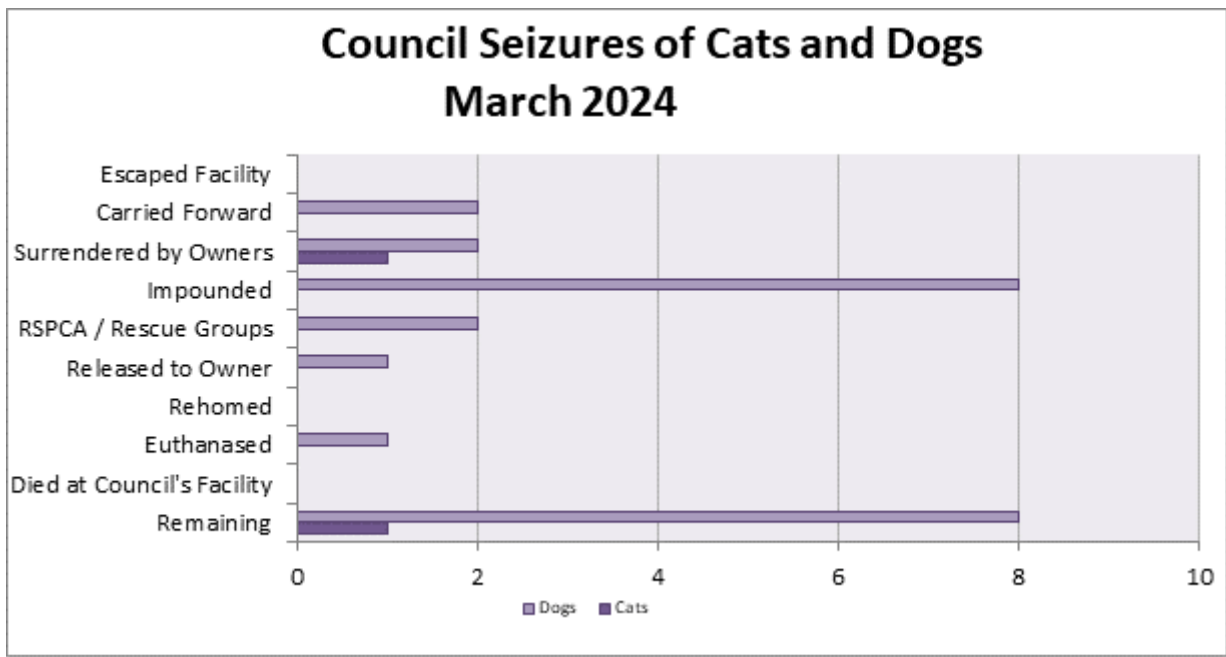
SUMMARY:

The following details the number of various Ordinance activities carried out during March 2024, in comparison to the same month in 2023.

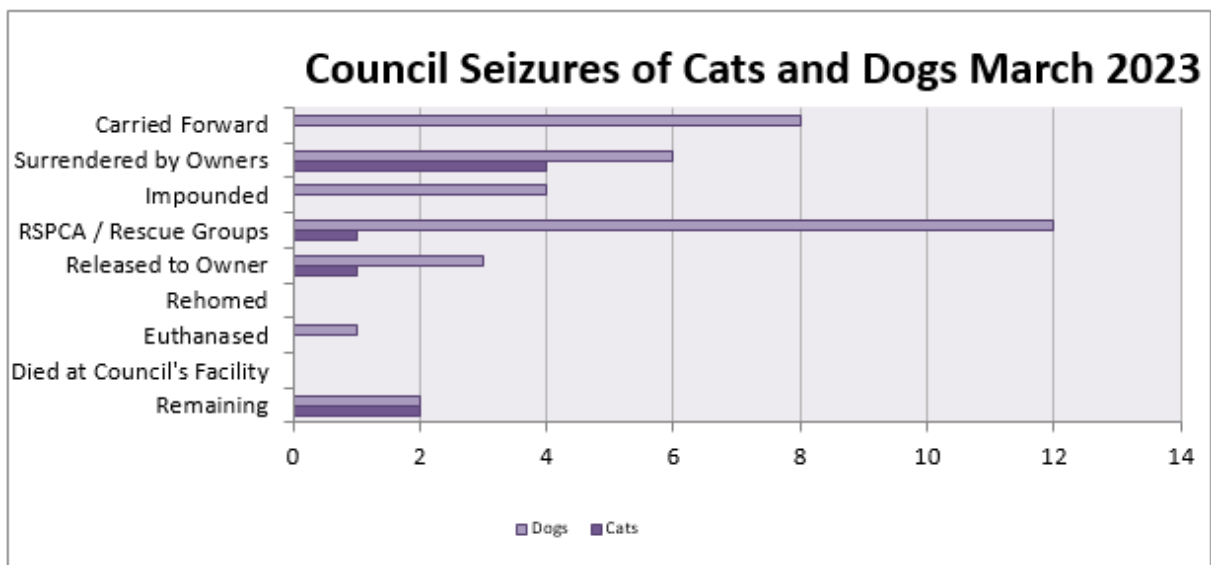
INFORMATION:

COMPLIANCE

Inverell Shire Council Pound Monthly Report March 2024



Inverell Shire Council Pound Monthly Report March 2023



ATTACHMENTS:

Nil

11.6 ABILITY OF LOCAL GOVERNMENTS TO FUND INFRASTRUCTURE AND SERVICES

File Number: S14.18.6/17 / 24/13300

Author: Paul Pay, Director Corporate and Community Services

SUMMARY:

A parliamentary inquiry has been established to inquire into the ability of local governments to fund infrastructure and services.

COMMENTARY:

A parliamentary inquiry was established on 14 March 2024 to inquire into and report on the ability of local governments to fund infrastructure and services. The Legislative Council media release on the subject, dated 18 March 2024 is provided as **Attachment 1** for reference.

The terms of reference for the inquiry were referred to the Standing Committee on State Development by the Hon Ron Hoenig MP, Minister for Local Government on 8 March 2024 and adopted by the Committee on 14 March 2024. The terms of reference are provided in **Attachment 2**.

The terms of reference will enable the Standing Committee on State Development to inquire into the adequacy of past rate pegs to meet costs borne by local government, consider alternative approaches to the rate peg, consider the operation and effectiveness of the special rate variation process, and examine the impact of cost shifting.

The Committee welcomes submissions on any or all of the terms of reference from interested individuals and stakeholders, including local government. Submissions to the inquiry close on 26 April 2024. Given the complex nature of the terms of reference, this is an extremely short time period.

LGNSW hosted an online forum on 16 April 2024 to brief mayors and general managers on the parliamentary inquiry and to seek feedback from councils to inform a submission from LGNSW on behalf of the local government sector.

LGNSW advised during the forum that they have sought an extension to lodge a submission to ensure a detailed submission representing the industry can be lodged.

Inverell Shire Council staff have committed to providing any necessary information to LGNSW to assist them in the preparation of a submission to the inquiry.

This parliamentary inquiry is running in parallel to the Independent Pricing and Regulatory Tribunal (IPART) review into the financial sustainability of NSW Local Government. Both inquiries appear to be examining the same issues and given the tight timeframes surrounding the parliamentary inquiry and the limited resources of Council, it is proposed that Council only make a submission to the IPART enquiry.

ATTACHMENTS:

1. **Media Release - State Development - Local Governments - 18 March 2024** [↓](#)
2. **Terms of reference - Ability of local governments to fund infrastructure and services** [↓](#)

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LEGISLATIVE COUNCIL

STANDING COMMITTEE ON STATE DEVELOPMENT

MEDIA RELEASE**INQUIRY INTO THE ABILITY OF LOCAL GOVERNMENTS TO
FUND INFRASTRUCTURE AND SERVICES****FOR IMMEDIATE RELEASE****18 March 2024**

An Upper House inquiry has been established to inquire into the ability of local governments to fund infrastructure and services.

The Hon Emily Suvaal MLC, Chair of the Standing Committee on State Development, said: 'Councils are experiencing significant financial challenges which are threatening the long-term sustainability of the sector. As the level of government closest to the people of this state, we owe it to councils to ensure they can continue to deliver the important services communities expect and deserve.'

'This inquiry will examine the level of income councils require to adequately meet the needs of their communities, and give consideration to the current levels of service delivery and financial sustainability in local government.'

The Chair continued: 'The committee will also assess the social and economic impacts of the rate peg in New South Wales and compare the rate peg, as it currently exists, with other jurisdictions and alternative approaches with regards to the outcomes for ratepayers, councils and council staff.'

'In addition, the committee will also review the operation of the special rate variation process and its effectiveness in providing the level of income councils require to adequately meet the needs of their communities.'

The committee welcomes submissions from interested individuals and stakeholders, including local governments and members of the community. The closing date for submissions is Friday 26 April 2024, with committee activity to follow later in the year.

For further information about the inquiry, including the terms of reference, please visit the committee [website](#).

-ENDS-

For further information please contact Committee Chair, the Hon Emily Suvaal MLC, on (02) 9230 2731.

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LEGISLATIVE COUNCIL

STANDING COMMITTEE ON STATE DEVELOPMENT

Inquiry into the ability of local governments to fund infrastructure and services

TERMS OF REFERENCE

That the Standing Committee on State Development inquire into and report on the ability of local governments to fund infrastructure and services, and in particular:

- (a) the level of income councils require to adequately meet the needs of their communities
- (b) examine if past rate pegs have matched increases in costs borne by local governments
- (c) current levels of service delivery and financial sustainability in local government, including the impact of cost shifting on service delivery and financial sustainability, and whether this has changed over time
- (d) assess the social and economic impacts of the rate peg in New South Wales for ratepayers, councils, and council staff over the last 20 years and compare with other jurisdictions
- (e) compare the rate peg as it currently exists to alternative approaches with regards to the outcomes for ratepayers, councils, and council staff
- (f) review the operation of the special rate variation process and its effectiveness in providing the level of income Councils require to adequately meet the needs of their communities
- (g) any other related matters.

The terms of reference for the inquiry were referred to the committee by the Hon Ron Hoenig MP, Minister for Local Government on 8 March 2024 and adopted by the committee on 14 March 2024.¹

Committee membership

Hon Emily Suvaal MLC	Australian Labor Party	<i>Chair</i>
Hon Sam Farroway MLC	The Nationals	<i>Deputy Chair</i>
Hon Mark Buttigieg MLC	Australian Labor Party	
Dr Amanda Cohn MLC *	The Greens	
Hon Emma Hurst MLC	Animal Justice Party	
Hon Stephen Lawrence MLC	Australian Labor Party	
Hon Taylor Martin MLC	Liberal Party	
Hon Peter Primrose MLC	Australian Labor Party	

* Dr Amanda Cohn MLC substituted for Ms Cate Fachrmann MLC from 15 March 2024 for the duration of the inquiry.

¹ *Minutes*, NSW Legislative Council, 19 March 2024, p 981-982.

11.7 PROTECTING LOCAL WATER UTILITIES FROM PRIVATISATION - INQUIRY OUTCOMES

File Number: S14.18.6/17 / 24/13362

Author: Keith Hyatt, Manager Water Services

SUMMARY:

The NSW Parliament Joint Select Committee on Protecting Local Water Utilities from Privatisation has issued a final report.

COMMENTARY:

On 28 March 2024, the NSW Parliament Joint Select Committee on Protecting Local Water Utilities from Privatisation released a 77-page final report.

The Committee received 34 submissions from Local Water Utilities (LWU), joint organisations, government agencies, and member agencies. 45 individual witnesses appeared before the Committee across three (3) public hearings held at Dubbo, Sydney and Wagga Wagga.

Inquiry participants convincingly argued for the continuation of local government-owned and operated LWUs and their assets. The participants also vehemently opposed privatising any of the 92 LWUs servicing the State's regional areas.

The Committee recommends the NSW Government develop new legislation to protect local water utilities from privatisation, forced amalgamations and sell-offs. The new legislation must not impact an LWU's capacity to engage the private sector for example, by engaging specialist telemetry services. The Committee recommended that LWUs be engaged and consulted on developing the new legislation.

Whilst the inquiry was primarily focused on protecting LWUs from privatisation, the Committee also heard considerable evidence concerning the financial and strategic support provided to LWUs and how this impacts an LWUs capacity to manage risks sustainably. The Committee also heard from regional communities that routinely face serious risks associated with water scarcity and poor water quality.

Overall, the Committee made 10 findings supported by 13 recommendations during this inquiry process. The findings and recommendations are summarised below.

The case for protecting Local Water Utilities from privatisation

Finding 1 Local governments are best placed to own and operate their water and sewerage services in regional New South Wales.

Finding 2 The local water utility sector strongly opposes privatisation of essential water services and infrastructure and supports legislative protections that guarantee ongoing public ownership.

Legislating to protect Local Water Utilities and preventing unintended consequences

Finding 3 Having flexibility to contract in services where necessary is essential to delivering safe and efficient water and sewerage services.

Finding 4 County Councils may be more vulnerable to privatisation than a water utility operated by a general purpose council.

Recommendation 1 That the NSW Government develop new legislation to protect local water utilities from privatisation, forced amalgamations and sell-offs.

Recommendation 2 That the NSW Government ensure that any new legislation to protect local water utilities from privatisation and forced amalgamations preserve a public utility's ability to procure private sector services when needed and give regard to the varied governance models under which local water utilities operate.

Recommendation 3 That the NSW Government consult extensively with local governments on any new legislation to protect local water utilities from privatisation and forced amalgamations, to

ensure that the legislation is fit-for-purpose and does not result in unintended, adverse consequences.

Environmental risks to drinking water quality and supply

Finding 5 Water security is threatened by climate change, poor catchment management and natural disasters. The ability of local water utilities to respond effectively to these challenges is critical to ensuring regional communities have sustainable access to safe drinking water.

Town Water Risk Reduction Program and recent initiatives to address risk

Finding 6 The Town Water Risk Reduction Program has fostered a more collaborative approach between State and local governments and made progress toward addressing fundamental strategic challenges faced by local water utilities. The Program has been well-received by the sector and there is desire to see it expanded.

Recommendation 4 That the NSW Government fund the Town Water Risk Reduction Program beyond Phase 2, with the Department of Climate Change, Energy, the Environment and Water to determine the next phase of workstreams in consultation with the local water utilities sector.

Regulatory and Assurance Framework for Local Water Utilities

Finding 7 Many local water utilities believe that current reporting requirements imposed by State agencies are onerous and duplicative, and should be streamlined where possible.

Recommendation 5 That the Department of Climate Change, Energy, the Environment and Water continue to work closely with Councils in implementing the new Regulatory and Assurance Framework for Local Water Utilities and streamlining overly cumbersome reporting and compliance Obligations.

Recommendation 6 That, as part of its periodic performance review of the implementation of the Regulatory and Assurance Framework for Local Water Utilities, the Department of Climate Change, Energy, the Environment and Water develop and report against key metrics, both to maintain transparency and to help to ensure ongoing improvement.

Funding models for Local Water Utilities

Finding 8 Local water utilities in NSW face growing challenges with ageing infrastructure, population growth and climate change, yet remain chronically underfunded.

Finding 9 While strong capital investment remains critical to ensuring secure and efficient delivery of water services, there is also the need for capacity building to innovate and optimise infrastructure performance and whole-of-life costs.

Recommendation 7 That the NSW Government publish its response to the recommendations made in the NSW Productivity Commission's report into the financial sustainability of local water utilities (due June 2024).

Recommendation 8 That the NSW Government consult extensively with the local water utility sector about any proposed changes to funding models or pathways arising from the NSW Productivity Commission's recommendations.

Recommendation 9 That the NSW Government consider developing a community service obligation (CSO) funding model for certain local water utilities with low economies of scale.

Skills, training and recruitment of Water Utility operators

Finding 10 Many local water utilities in NSW experience significant challenges attracting and retaining skilled water utility operators to service their communities.

Recommendation 10 That, in consultation with the local water utility and vocational education and training (VET) sectors, the NSW Government develop and introduce minimum training requirements and/or competency standards for water operators, in recognition of the critical role they play in safeguarding human health.

Recommendation 11 That the Department of Climate Change, Energy, the Environment and Water consult with First Nations communities in relation to its Water operations skills and training

action plan and find ways to promote uptake of training and create further employment opportunities for Aboriginal people in the water utility sector.

Recommendation 12 That the NSW Government consider establishing regional water industry training facilities at suitable locations across the State to boost supply of trained operators to service regional and remote utilities.

The Protecting Local Water Utilities from Privatisation inquiry result is a fantastic outcome for everybody involved in the public water industry, who repeatedly 'give it their all' to provide safe, clean drinking water and effective sewerage services to the 1.8 million people in regional communities. Equally, it is an excellent outcome for residents and families to keep 'their' LWU embedded in their communities.

The Protecting Local Water Utilities from Privatisation final report can be accessed via the following link: [Report 1/58 – March 2024](#)

RISK ASSESSMENT:

Nil

POLICY IMPLICATIONS:

Nil

CHIEF FINANCIAL OFFICERS COMMENT:

Nil

LEGAL IMPLICATIONS:

Nil

ATTACHMENTS:

Nil

12 GOVERNANCE REPORTS

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 Appointment of Chairperson to Audit, Risk and Improvement Committee

13.2 Inverell Shire Digital Connectivity Plan